CHRISTIAN SCIENCE MONITOR
4 April 1986

Prospects for Reagan-Gorbachev summit brighten

News items undercut views of arms control naysayers

By Joseph C. Harsch

Three items in the news this week have been of particular importance to the prospects for another summit conference and what might happen in superpower relations at future summits between Ronald Reagan and Mikhail Gorbachev, if they occur.

Those in the Reagan administration who oppose arms control agreements with the Soviets, business with the Soviets, and summits have based their case mainly on the double contention that the Soviets are running ahead of the United States in the arms race and, in the process, cheating on the arms control agreements which exist.

PATTERN OF DIPLOMACY

Over the past week the following news items undercut those major contentions of the anti-arms control faction in the administration:

- Recent testimony before congressional committees shows the Central Intelligence Agency (CIA) and the Defense Intelligence Agency (DIA) agreeing substantially that Soviet spending on weapons has been relatively constant over the last decade and is likely in the near future to remain constant and may even decline.
- Donald Hicks, undersecretary of defense for research and engineering, submitted an annual report to Congress on the race in military technology. It showed the US leading the USSR in the 14 most important areas of military technology, the US trailing the USSR in none, and the Soviets trying to catch up, but with little success. The Soviets have narrowed their disadvantage in four categories, but are falling further behind in one.
- The CIA has revised its method for calculating Soviet nuclear tests. The old method showed the Soviets to be cheating on the tests. The new method reduces estimates of Soviet yield by 20 percent and indicates that they may not have cheated. News reports said that William Casey, the CIA director, approved the downward revision on Jan. 21, over protests from Richard Perle, undersecretary of defense for international security policy. Mr. Perle has been the administration's most active and influential opponent of arms control agreements with the Soviets.

These three events strengthen the hands of those in the administration who favor going ahead with summit conferences and with efforts to reach new agreements on arms control with the Soviets. They weaken the hand of those led by Secretary of Defense Caspar Weinberger and Mr. Perle, who say that any agreement with the Soviets would be to the US's disadvantage and that the Soviets routinely cheat on such agreements.

The three items together improve the chance that

WASHINGTON POST
3 April 1986

New CIA Calculations Cast Doubt On Test Ban Violations by Soviets

By Don Oberdorfer
Washington Post Staff Writer

The Central Intelligence Agency has revised its calculations of Soviet underground nuclear tests in a way that adds new uncertainty to U.S. charges that Moscow probably violated a 1974 arms control agreement, administration officials said yesterday.

The changes in U.S. measurements of Soviet nuclear tests are a result of advances in seismology and improvements in assessing the differences in geology between U.S. test sites and those of the Soviet Union, an official said. Beyond the dense technicalities involved, the issue has major political repercussions in view of sharply contested administration charges of Soviet cheating on nuclear test limits and other obligations.

Some officials said yesterday that even under the new calculations it is likely that several Soviet tests have gone over the limit of 150 kilotons accepted in the 1974 Threshold Test Ban Treaty. Other officials said there was already doubt among government and non-government scientists that the Soviets violated the limits and that the CIA adjustment makes it even harder to draw such a conclusion.

The 1974 treaty, concluded by the Nixon administration, has never been ratified by the United States. As with other unratified agreements, both sides have accepted an obligation not to undercut it.

Officials of several U.S. agencies said the CIA revision, which took effect in January, resulted from recommendations last fall of separate scientific panels on Soviet test measurements under the sponsorship of two Defense Department organizations, the Advanced Research Projects Agency and the Air Force Technical Applications Center.

The change also followed the recommendations last December by an interagency panel, the Joint Atomic Energy Intelligence Committee, to alter previous U.S. formulas for calculating the size of Soviet tests. Defense officials said the key vote in this panel was 5 to 3, with the Defense Intelligence Agency and two other agencies dissenting.

White House spokesman Larry Speakes said in Santa Barbara, following the first report of the change in yesterday's New York Times. "We haven't changed our method for estimating yields of Soviet tests. As a part of the verification process, we are constantly refining our techniques to improve our understanding of Soviet testing activities."

Other officials explained that while the "method" of estimation has not changed, the mathematical multipliers by which that method is applied have been changed at the order of CIA Director William J. Casey. The result is to lower the "central value" or main estimate of various Soviet tests as measured from afar by the United States by an average of about 20 percent.

"We haven't changed our method for estimating yields of Soviet tests."

— Larry Speakes, White House spokesman

The margin for error in such calculations remains large, however. If the "central value" of a Soviet test is 200 kilotons (the equivalent of 200,000 tons of TNT), the accepted margin for error would permit the test to be judged as low as 100 kilotons or as high as 400 kilotons, officials said.

Uncertainty about the power of nuclear explosions and the ways of measuring them was so great, even at the time the treaty was signed, that both sides agreed to allow one or two unintentional breaches per year of the 150-kiloton limit.

Assistant Defense Secretary Richard N. Perle said that 10 or 11 Soviet underground tests previously estimated to have exceeded the agreed U.S.-Soviet limit of 150 kilotons would be reduced to six or seven under the mathematics of the new directive.

While fewer tests turn out to be violations under the new calculations, Perle said, there should be greater confidence that those remaining were actually above the agreed limits.

Kenneth L. Adelman, director of the Arms Control and Disarmament Agency, said the report to Congress that "a number of [Soviet] tests constitute a likely violation" of the limit remains valid. Adelman said "the level of uncertainty" about the measurements remains very high, which is why the administration is asking the Soviets to accept on-site inspection and other improvements in verification.

Rep. Thomas J. Downey (D-N.Y.), an advocate of nuclear disarmament, said, "There is ample reason to believe that the Soviet Union has not violated the 150-kiloton limit" based on the newly approved factors. "My understanding is that there are three reports by panels of scientists that suggest the United States has grossly overestimated the yield of Soviet explosions in the past."

The new U.S. calculations will be employed when the Soviet Union resumes underground nuclear tests, after abstaining since last August. Soviet leader Mikhail Gorbachev said last Saturday that tests will begin following the next U.S. underground test, which is expected to take place next week.

The Times report said President Reagan signed a directive ordering a report on how the new calculations would reflect on past U.S. charges of Soviet violations.

The debate over U.S. estimation of Soviet nuclear tests has led to antagonism between scientists, especially seismologists, and the Reagan administration. Seismologists have accused administration officials of subordinating technical judgments to political ideology in attacks on the Soviets for nuclear testing, while administration officials have accused seismologists of being willing and even eager to accept the most comfortable assumptions about Soviet activity in the nuclear field.

PHILADELPHIA INQUIRER
3 April 1986

U.S. revises method of measuring Soviet nuclear tests

From Inquirer Wire Services

WASHINGTON — The Reagan administration has revised the way it measures Soviet underground nuclear test explosions, and the new method indicates that fewer of the tests have violated a 1974 treaty with the United States than had been charged, according to a high-level U.S. official.

The change had been urged by the CIA, the official told the Associated Press, and involved the interpretation of the force of the tests through seismologic data.

The official, who insisted on anonymity, said any measurement method involving seismology has considerable room for error.

The White House, through spokesman Larry Speakes, denied that there had been a change and said the administration still believed the Soviet Union had repeatedly violated the treaty.

"We haven't changed our method for estimating yields of Soviet tests. As a part of the verification process, we are constantly refining our techniques in an effort to improve our understanding of Soviet testing activities," Speakes said in Santa Barbara, Calif.

The high-level official who said there was room for error in seismic measurements said that was precisely why President Reagan invited Soviet leader Mikhail S. Gorbachev to send observers to the test site in the Nevada desert. The observers then could make on-site use of new technology to see that the United States was complying with the treaty, he said.

The Reagan administration has insisted on improved methods of verifying the yield of nuclear tests before it will ask the Senate to ratify the 1974 pact and another limited test ban treaty signed in 1975.

The 1974 agreement, the Threshold Test Ban Treaty, limits underground weapons-test explosions by both nations to 150 kilotons, about 11 times the force of the U.S. atomic bomb that devastated Hiroshima at the end of World War II.

The Reagan administration has accused the Soviets of flouting the 1974 treaty and other accords.

The official said that even applying the new CIA approach retroactively, a number of tests at Semipalatinsk, the Soviet test site, were greater than 150 kilotons and would still be considered to be in violation.

The New York Times yesterday quoted administration officials as saying the change was made Jan. 21 by CIA Director William J. Casey even though some Defense Department officials objected to it.

The new procedure will lower estimates of the yield of Soviet nuclear tests by 20 percent, the newspaper quoted experts as saying.

The Times said administration experts it had interviewed were divided about whether the administration should now drop its allegations against the Soviet Union that it had violated the treaty.

Officials interview by United Press International noted that the CIA was only one of a half-dozen agencies responsible for verifying Soviet compliance with treaties and that a change at the CIA might not amount to a complete change in policy.

Officials told the Times that the new estimating procedure would be applied to the next Soviet test. The Soviet Union has not held a nuclear test since last summer, when it declared a unilateral moratorium on tests and asked the United States to join in a total test ban.

WASHINGTON TIMES
3 April 1986

Change in U.S. monitoring lowers Soviet test violations

FROM COMBINED DISPATCHES

A change in the way the United States measures Soviet underground nuclear test explosions indicates fewer of them have violated a 1974 treaty than had been charged, a high-level U.S. official said today.

The change was approved by the CIA, the official said, and involves the interpretation of the force of the tests through seismologic data.

Because the main Soviet test site at Semipalatinsk in Central Asia is older and more stable geologically than the U.S. test site in the Nevada desert, scientists say Soviet explosions produce a larger sound wave through the earth than U.S. tests of the same size.

While the United States has long adjusted its intelligence estimates of Soviet tests to account for this, experts question whether the adjustment factor has been large enough. The matter has been under study for years.

A story in The New York Times yesterday quoted administration officials as saying the change was made Jan. 21 by CIA Director William Casey, despite objections from Pentagon officials. Richard Perle, assistant secretary of defense for international security policy, argued that the issue needed more study.

Experts familiar with the change say it will lower estimates of the yield of Soviet tests by about 20 percent.

The high-level official, who insisted on anonymity, said any measurement method involving seismology has considerable room for error.

He said that is why President Reagan has invited Soviet leader Mikhail Gorbachev to send observers to the U.S. test site to make on-site use of new technology.

The Threshold Test Ban Treaty limits underground weapons-test explosions on both sides to 150 kilotons, about 11 times the force of the U.S. atomic bomb that devastated Hiroshima toward the end of World War II. Although the Senate has never ratified the treaty, the U.S. government is complying with its provisions.

The Reagan administration has accused the Soviets of flouting the 1974 treaty and other accords. It has urged the Soviets to tighten verification procedures.

Before Mr. Casey made his decision, Mr. Reagan had ordered a report on how the change would affect administration concerns about Soviet violations, administration officials said. The report remains incomplete.

The high-level official said that even with the new CIA approach, a number of tests conducted by the Soviets were greater than 150 kilotons and still would be considered to be in violation.

U.S. accusations of Soviet arms-tral to U.S.-Soviet relations, with no significant progress occurring in this area since the November summit meeting between Mr. Reagan and Mr. Gorbachev.

Officials told the Times the new estimating procedure would be applied to the next Soviet test. The Soviet Union has not held a nuclear test since last summer, when it declared a unilateral moratorium on tests and asked the United States to join in a total test ban.

Asked for comment on the new procedure, CIA spokeswoman Kathy Pherson said, "We wouldn't have anything to say on that one way or the other."

NEW YORK TIMES
Apr 1 1987

C.I.A. CHANGES WAY THAT IT MEASURES SOVIET ATOM TESTS

U.S. CHARGES QUESTIONED

Readings Will Be Lower and Officials Debate Issue of Past Russian Cheating

By MICHAEL R. GORDON
Special to The New York Times

WASHINGTON, April 1 — The Central Intelligence Agency has changed its procedures for estimating the yield of large Soviet nuclear tests because it has decided its previous estimates were too high, Reagan Administration officials said today.

The officials said the decision to use the new method was made in January by William J. Casey, the Director of Central Intelligence, despite objections from some Defense Department officials.

Reagan Requests a Report

The C.I.A. decision has raised questions about past Administration assertions that the Soviet Union had probably violated the Threshold Test Ban Treaty of 1974, which limits underground tests to no more than 150 kilotons.

Before the C.I.A. decision was made, President Reagan ordered a report on how the change would affect Administration concerns about Soviet Union violations, the Administration officials said. That report has not yet been completed.

Mr. Casey formally approved the change on Jan. 21, officials said. Experts familiar with the change say it will lower estimates of the yield of Soviet tests by about 20 percent.

No White House Comment

Richard N. Perle, the Assistant Secretary of Defense for International Security Policy, reportedly opposed adopting the recommendations and argued that the issue needed more study. Mr. Perle declined to discuss the issue.

Edward P. Djerejian, a White House spokesman, said the White House had no comment at this time on the decison and its implications.

Administration experts, who asked not to be identified, were divided about whether the change should lead the Administration to drop its allegations against the Soviet Union.

The accusations of Soviet arms control violations has become a central issue in United States-Soviet relations. No significant progress has been made in this area since the November summit meeting President Reagan and Mikhail S. Gorbachev, the Soviet leader.

Deliberations Over Treaty

The Reagan Administration is currently deliberating over what actions to take in response to reported arms control violations and in considering whether to modify its commitment not to undercut the 1979 Strategic Arms Limitations Treaty.

The Administration has said that many of the Soviet tests had "likely" violated the threshold treaty, which stipulates that the size of warheads being tested should not exceed 150 kilotons, equal to the explosive force of 150,000 tons of TNT. The Soviet Union has denied violating the treaty.

But Administration and nongovernmental experts have long questioned the accuracy of the intelligence estimates on which those charges were based.

The debate has centered on the seismological procedures for assessing the yield of nuclear tests. The main Soviet test site at Semipalatinsk in Central Asia is older and more geologically stable than the site in Nevada where the United States conducts its tests.

Larger Wave Is Produced

Scientists say Soviet explosions produce a larger sound wave through the earth than American tests of the same size.

While Government intelligence estimates of Soviet tests have long been adjusted to take this into account, experts have questioned whether the adjustment factor was large enough.

Officials said the question of changing the United States estimating procedure has been under review and study for years

New Studies Come to Light

The issue came to the fore again last year after several new studies.

Last Oct. 18, a panel of scientists selected by the Defense Advanced Research Projects Agency prepared a classified report that concluded that Government's method for estimating the yield of Soviet explosions was based on faulty assumptions.

The eight-member panel recommended a change in procedures that would lower the estimates.

The panel's report was submitted in late October to the Joint Atomic Energy Intelligence Committee, which issues reports on the size of foreign nuclear explosions. The committee is made up of members from the military services and intelligence agencies.

Second Study Adds Support

Adding support to the scientists' recommendation was a separate study, also completed in October, that was overseen by the Air Force Technical Applications Center, which operates a system of seismic stations to monitor Soviet tests. This study agreed with the finding of the military research agency report.

On Dec. 17, the Joint Atomic Energy Intelligence Committee recommended that the C.I.A. adopt the advice in the report commissioned by the research agency. Officials said the Defense Intelligence Agency disagreed, but was overruled.

The new C.I.A. procedure will be used to estimate the size of explosions in the Shagan River area of Semipalatinsk, where the Soviet Union conducts its largest nuclear tests. Officials said they expected the new estimating procedure to be applied to the next Soviet test in this area. The Soviet Union has not held a nuclear test since last summer, when it declared a unilateral moratorium on tests and asked the United States to join in a total test ban.

What the new procedure means about past Administration allegations about Soviet cheating is unclear.

Reagan Signs Directive

At the time the Administration prepared its report to Congress charging Soviet arms control violations, President Reagan signed a National Security Decision Directive, NSDD-202, that asked for a report on how the new method would reflect on past United States charges of violations by the Soviet Union.

This is the report that has not been completed, and officials are divided about whether the Russians have been violating the treaty.

Officials said applying the new method retroactively would still leave about a dozen Soviet tests that appear to be above the limit, although one official said that three or four of these exceeded the limit enough to warrant special concern.

The new procedure also suggests that the largest Soviet blast since the signing of the threshold treaty in 1974 was no higher than 250 kilotons. The Administration has previously said that the Soviet Union has conducted a test that was greater than 300 kilotons.

Violations Still 'Likely'

One Administration official said the new data still point "in the direction of a likely violation" and noted that the Administration qualified its charges against the Soviet Union.

But another official said the change in the estimating procedure would significantly undercut the charges.

He said that given the uncertainty involved in seismic measurements, it was usual to expect some Soviet tests to appear to exceed the 150-kiloton limit. He added that some American tests that are under that limit may also appear to the Soviets to exceed the limit.

continued

BALTIMORE SUN
2 April 1986

CIA is said to have overrated yields of Soviet nuclear tests

New York Times News Service

WASHINGTON — The Central Intelligence Agency has changed its procedures for estimating the yield of large Soviet nuclear tests because it has decided its previous estimates were too high, Reagan administration officials said yesterday.

The officials said the decision to use the new method was made in January by William J. Casey, director of the Central Intelligence Agency, despite objections from some Defense Department officials.

The CIA decision has raised questions about past administration assertions that the Soviet Union had probably violated the Threshold Test Ban Treaty of 1974.

Mr. Casey formally approved the change Jan. 21, officials said.

Administration experts, who asked not to be identified, were divided about whether the change should lead the administration to drop its allegations against the Soviet Union.

The accusations of Soviet arms-control violations have become a central issue in U.S.-Soviet relations.

The Reagan administration is deliberating what actions to take in response to reported arms-control violations and in considering whether to modify its commitment not to undercut the 1979 Strategic Arms Limitations Treaty.

The administration has said that many of the Soviet tests had "likely" violated the threshold treaty, which stipulates that the size of warheads being tested should not exceed 150 kilotons, equal to the explosive force of 150,000 tons of TNT.

The Soviet Union has denied violating the treaty.

But administration and non-governmental experts have long questioned the accuracy of the intelligence estimates on which those charges were based.

BOSTON GLOBE
2 April 1986

CIA lowers Soviet nuclear test estimates

By William Beecher
Globe Staff

WASHINGTON – The Central Intelligence Agency decided recently to lower by about 20 percent the seismic formula used to estimate the yields of Soviet underground nuclear tests, according to administration officials. The result is that some Russian tests once thought to have violated the 150-kiloton ceiling established by the unratified Threshold Test Ban treaty of 1974 are now believed to have been proper.

But, officials say, even under the new CIA-approved formula, anywhere from six to 20 tests are still believed to have been likely violations.

The decision to change the formula, taken by William Casey, the director of central intelligence, after a split vote in the intelligence community, was based on three separate studies but is being criticized within the bureaucracy by some senior officials of the Defense Department and the Arms Control and Disarmament Agency. The sources said President Reagan recently ordered a new interagency study to "clean up this mess" by considering nonseismic as well as seismic methods of improving the estimating process.

The issue has potential political implications because the United States continues to insist it needs an agreement on on-site monitoring of nuclear tests before submitting to the Senate for ratification both the 1974 treaty and the companion Peaceful Nuclear Explosions treaty of 1976.

Officials say the Soviet demand for a total nuclear test ban and a US counter-suggestion that a step be taken first on the two earlier treaties are expected to be on the agenda when Soviet Ambassador Anatoli Dobrynin returns to Washington for farewell talks with the president and Secretary of State George P. Shultz.

Dobrynin is expected to return Friday for about a week before going back to Moscow to take up his new foreign policy duties in the Secretariat of the powerful Central Committee, it is understood. He is also expected to fix a date, either in July or more likely December, for a Washington summit meeting between Reagan and Mikhail S. Gorbachev, the Soviet leader, and to confirm whether Foreign Minister Eduard Shevardnadze is prepared for another round of talks with Shultz here this month.

The yield of Soviet underground nuclear tests has been a matter of heated dispute for more than a decade. American seismological estimates, which are an extrapolation from US experiences at the Nevada test site, have been lowered three or four times since 1974 – by a total of 60 percent – as seismologists have refined their calculations.

Because Americans can't monitor the tests on-site, they estimate the size of the Soviet blast based on underground shock waves and surface waves, compare these to waves produced by US tests in Nevada and reach a conclusion about how many kilotons the blast was.

But critics of this approach have pointed out that extrapolations based on surface and subsurface readings from the soft sediment in Nevada have not yielded the same results when applied to tests in the hard rock of Soviet test sites.

This is a major reason, they contend, that the administration has called for calibration measurements at Soviet test centers, with the Russians having the same access at US sites. Reagan recently offered to have Soviet specialists come to Nevada to try out a new yield monitoring device during a test shot late this month.

Moscow has declined, saying it is not interested in monitoring a continuation of tests but in joining a total moratorium.

Sources in several agencies provided the following account of the internal policy debate:

When Casey, more than a year ago, notified officials he was prepared to lower the formula for estimating test yields once again, internal protests led to the convening of three special panels: one by the Air Force Technical Analysis Center, another by the Defense Advanced Research Projects Agency and a third by the Defense Intelligence Agency.

The first two panels recommended a downward revision, as urged by Casey. The DIA panel, while concurring in the recommendation because seismic science is more advanced than alternative approaches, called for more research into nonseismic analysis, such as aerial photos of earth cratering caused by underground explosions.

Casey then convened the Joint Atomic Energy Intelligence Committee, consisting of intelligence specialists from the CIA, the DIA, the National Security Agency, the State Department's Bureau of Intelligence and Research, the Department of Energy and the intelligence arms of the Army, Navy and Air Force. By a vote of 5 to 3, the committee voted for the downward revision. It was after that result that the White House ordered a new interagency study to come up with a fresh look.

ARTICLE APPEARED
ON PAGE A10

NEW YORK TIMES
2 April 1986

Measuring Soviet Tests: U.S. Methods Questioned

Special to The New York Times

WASHINGTON, April 1 — Administration experts as well as those outside the Government have long questioned Administration estimates of the yield of Soviet underground nuclear tests.

At the heart of the debate are the seismological procedures for assessing the yield of Soviet nuclear tests. Under new procedures chosen by the Central Intelligence Agency, the estimates of yields from Soviet nuclear blasts would be about 20 percent less than under previous procedures.

Experts note that the geology of the main Soviet test site at Semipalatinsk in Central Asia is unlike the Nevada test site where the United States conducts its nuclear tests.

Geologically Stable Area

The Soviet test site is in an area that is described by scientists as a more geologically stable region that is older and cooler than the American site. The Nevada test site is described as a more volcanic region, and some of the rocks below it are partly molten.

Experts say seismic signals travel better at the Seminpalatinsk test site. As a result, an explosion at the Soviet site would produce a larger discernible seismic wave than an American test of the same yield at the Nevada site.

The differences between the two test sites have long been known, and Government intelligence assessments have tried to take the difference into account by introducing a corrective factor into the calculations.

But experts have questioned whether the corrective factor was large enough. Despite these uncertainties, a classified study by the Defense Intelligence Agency concluded last year that seismic readings were still the most reliable method of assessing the yield of Soviet underground nuclear tests.

Several Approaches

Experts have said the recommendations to change the Government's estimating procedure, put forth by a panel of eight scientists chosen by the Defense Advanced Research Project Agency, were based on several different approaches to the problem of seismic measurement.

For example, scientists studied measurements taken at a Canadian site that is thought to have a geology similar to the Central Asian part of the Soviet Union, and they examined a 1965 nuclear explosion by the Soviet Union at a dam site in the region of the Central Asia test site.

They also studied different types of surface waves that travel in the upper layers of the earth.

ARTICLE APPEARED ON PAGE A27
NEW YORK TIMES
4 March 1986

What Defense-Spending Gap?

By Franklyn D. Holzman

MEDFORD, Mass. — President Reagan is again asking for more military spending, and, as before, he partly bases his case on an overstatement of Soviet military outlays.

When he said Thursday in his television address that the Soviet Union had invested $500 billion more in its military than the United States had since 1970, he was playing the same tune he played in February 1981, when he said, "Since 1970, the Soviet Union has invested $300 billion more in its military forces than we have." In March 1981, the Central Intelligence Agency updated this estimate to $420 billion. But a proper accounting and interpretation of both sides' military outlays indicates that, in fact, the West outspent the Eastern bloc by $740 billion from 1971 through 1980. Actually, Mr. Reagan was off by more than $1 trillion. Let me explain.

The C.I.A. makes many economic comparisons of the two superpowers, calculating its estimates in dollar and ruble prices. Its comparisons are almost always presented, properly, as an average, for dollar comparisons exaggerate Soviet outlays and ruble comparisons exaggerate ours, partly because of wide differences in prices between the countries. However, the C.I.A.'s comparison of military outlays remains a glaring exception to its standard practice. While a ruble estimate is calculated and the figure is made public, no dollar-ruble average is presented. Press releases, hearings and media coverage ignore it and concentrate on the dollar comparison. This exaggerates Soviet military spending relative to ours — as the C.I.A. often has admitted.

An adjustment for this exaggeration reduces the $420 billion "gap" by $100 billion.

Second, the C.I.A. said in 1984 that it had overestimated Moscow's 1976-to-1982 military spending by assuming a 3 percent to 5 percent annual growth rate in that spending when in fact it had been only 2 percent.

Deduct $30 billion more from the "gap."

Third, in comparing outlays, the Pentagon has subtracted money spent on our Vietnam War effort from our total, on the sound basis that the war was not part of our confrontation with the Soviet Union. Similarly, we should not calculate the Soviet Union's outlays for its problem with China, for they are not part of the Soviet confrontation with us. Moscow might ask, How much more would Mr. Reagan be spending if a million-man Chinese Army was poised on America's border and there were a billion people just behind that army? Various C.I.A. and Pentagon estimates suggest that 15 percent to 20 percent of Soviet military spending has been directed at China.

Subtract $230 billion — 15 percent of Moscow's 10-year total military spending of $1.530 trillion — from the C.I.A.'s $420 billion "gap."

These three revisions leave the United States with an adjusted 10-year difference of about $80 billion — a trivial sum over a decade.

Fourth, the purveyors of the "gap" dogma pretend the world consists of two superpowers. But America is joined by the North Atlantic Treaty Organization; the Soviet Union harnesses six countries in the Warsaw Pact. NATO's other 15 members include most of the industrial democracies, and three of them — Britain, West Germany and France — each spends more on weapons annually than all six smaller Warsaw Pact countries do together.

Over the 10-year period ending in 1980, NATO, excluding the United States, outspent the Warsaw Pact, excluding the Soviet Union, by $800 billion. Subtracting from this amount the $80 billion by which the Soviet Union outspent America results in an overall NATO-Warsaw Pact gap of $740 billion — in our favor.

To summarize, in 1981 the Reagan Administration wound up claiming the Soviet Union had outspent the United States by $420 billion from 1971 through 1980. In fact, all NATO members outspent all Warsaw Pact members by $740 billion. This difference (from a negative $420 billion "gap" to a positive $740 billion gap) adds up to $1.16 trillion — what might be called the Reagan misinformation gap.

Moreover, an adjusted American-Soviet 10-year gap of $60 billion was trivial when we consider how far behind us in military strength the Russians were in 1970. Further, President Reagan's $80 billion addition to the supposed 1971-1980 gap (when he elevated it last Thursday to $500 billion from $420 billion) is more than neutralized by Soviet outlays directed against China since 1980.

In evaluating the President's new defense budget requests, Congress should take these disparities into consideration. If, indeed, the Soviet Union and its Warsaw Pact allies are catching up, then the Pentagon and its NATO counterparts cannot be making very good use of the funds they have been allocated. □

C.I.A. data on Soviet costs are befogged

Franklyn D. Holzman, professor of economics at Tufts University and a fellow at the Russian Research Center, at Harvard University, is author of "Financial Checks on Soviet Defense Expenditures."

WASHINGTON TIMES
19 December 1985

NATO set to act on technology leakage

By Walter Andrews
THE WASHINGTON TIMES

NATO defense ministers for the first time have agreed to cooperate to stem the flow of advanced Western military technology to the communist Warsaw Pact nations, sources said yesterday.

The sources said agreement reached last week in Paris was the culmination of four years of effort by U.S. negotiators to gain the help of the European defense ministers within the framework of the multilateral coordinating committee on trade — the co-called COCOM.

The ministers have cooperated before on an informal basis, the sources said. But last week's agreement marked the first time they agreed to cooperate formally "in an institutional sense" for overall control of technology exports through COCOM.

COCOM, which is made up of the United States, NATO countries and Japan, controls exports to the Soviet Union and its allies. Pentagon officials have complained for years that the committee was not strict enough in limiting exports of advanced technology with military value.

This technology leakage has been a major deterrent to joint development of weapons by the United States and its European allies.

CIA estimates show that NATO spends more on defense than the Warsaw Pact, but gets fewer weapons for it. Earlier this year, House Armed Services Committee Chairman Rep. Les Aspin, Wisconsin Democrat, said the estimates raised the question of whether the Soviet block countries are more efficient, or just build lower-quality weapons.

In a September Pentagon report on military technology exports, Defense Secretary Caspar Weinberger warned that Soviet efforts to obtain Western technology "are far greater than previously believed" and have helped produce Soviet jet fighters, space-based chemical laser weapons and a reusable space shuttle.

The first indication of the new agreement came in a speech yesterday by Deputy Defense Secretary William Howard Taft IV to the Georgetown Center for Strategic and International Studies.

"The Allied record in the last several months is a good indication of our commitment to stemming the tide of technology to the Warsaw Pact. Technology security does not preclude [NATO weapons development] cooperation, but must precede it," Mr. Taft said.

Asked to elaborate after his speech, Mr. Taft said the Pentagon had been working with the multilateral coordinating committee on trade over the past four months on the military effects of leaked technology.

"They're [COCOM] having some meetings. I can't go into it in too much detail because the negotiations are still going on. But we have made some very good steps," he said.

Other sources said the Allied defense ministers agreed last week during negotiations in Paris to work within the framework of COCOM.

Mr. Taft said NATO cooperation on the design and purchase of weapons is urgent because, while the need for defense spending continues, pressure for budget cuts is increasing.

"NATO is on the verge of a new era of cooperation that offers a chance for more efficient use of each nation's vital research and development resources," he said.

Mr. Taft said cooperation between the United States and its allies is needed particularly in areas where NATO is deficient — anti-aircraft weapons; the ability to strike enemy forces being moved forward as reinforcements; anti-submarine warfare; and communications systems secure from eavesdropping.

Technology security is the toughest issue facing NATO, he said. "We cannot afford to allow vital military technologies to be compromised, nullifying any advantage the alliance may gain from cooperative research and development. I believe, however, that we can overcome this concern."

Mr. Taft said another concern is political interference in the awarding of contracts to various NATO nations for joint development efforts, an apparent reference to the pressure Great Britain exerted on behalf of an English company for the U.S. Army's $4.5 billion contract for a new field communications system.

The selection of a French company instead proves "that cooperative development decisions can be made solely on military and efficiency criteria even in a highly charged political climate," he said.

The deputy secretary said there are some concerns that need to be addressed, such as the worry of U.S. companies that they will be subsidizing competition and the possibility that joint ventures could lead to the formation of cartels.

ARTICLE APPEARED ON PAGE A-1

WASHINGTON POST
9 September 1985

Chemical Arms Curbs Are Sought

Officials Alarmed By Increasing Use Of Banned Weapons

By Don Oberdorfer
Washington Post Staff Writer

The dirty yellow cloud of poisonous gas has supplanted the atom's mushroom cloud as a symbol of the most pressing proliferation danger facing the world, in the view of government officials from the United States and several other countries.

While no nation has joined the A-bomb club since India conducted a nuclear test in 1974, the deadly chemicals known as "the poor man's atomic bomb" have been repeatedly used in warfare in the 1980s, and in ways that experts fear may promote their further use.

In an effort to stem the tide, officials and chemical specialists from the United States and chemically advanced Western European and Asian countries held an unpublicized meeting for several days last week in Brussels, under the leadership of Australia, to discuss ways to prevent the production and use of chemical weapons from spreading to additional countries. This was the second meeting since June of this group, whose existence is so sensitive with some governments that it has not been given a name.

Secretary of State George P. Shultz said earlier this year that the United States thinks that at least 13 nations have chemical weapons, compared with five in 1963, and that additional nations are trying to get them.

"The sad fact," Shultz said, "is that a half century of widely accepted international restraint on the use or development of chemical weapons is in danger of breaking down."

Other U.S. officials have said that at least 15 countries belong to the "chemical weapons club."

"Proliferation is an enormous problem," said a senior State Department official who has been deeply involved in low-key U.S. efforts to limit them. "I'm afraid that the number [of chemical weapons nations] could double in the next decade."

Since Iraq used mustard gas and nerve gas against Iranian troops in early 1984 and again this year, concern has mounted, generating U.S. interagency studies, chemical-export controls and unpublicized international meetings with American allies to consider joint actions.

The most acute worry is that a future Iranian offensive will trigger another Iraqi poison gas attack and that, in retaliation, major Iranian gas attacks will be launched on the battlefield or against civilian targets. Such an exchange would be the first time since World War I that both sides have used chemical weapons in a war.

Officials are also concerned that if Iran uses chemical weapons it might also supply poison gas to terrorist groups.

Recent U.S. and international discussions have covered such items as restricting shipments of "precursor chemicals" that could be used in chemical weapons and creating "trigger lists" of chemicals whose acquisition should set off alarms in world capitals. The anti-proliferation program in the chemical-weapons field is in its infancy, however, compared with the extensive international drive to halt the spread of nuclear weapons.

"Unless we in the West and others get our act together soon to stop the spread of chemical weapons, we will pass up a good opportunity," said Kenneth L. Adelman, director of the Arms Control and Disarmament Agency. "We can possibly nip this looming threat early, before chemical weapons become as commonplace as hand grenades in Third World armies."

Prof. Joseph Nye of Harvard University, who served from 1977 to 1979 as the key U.S. negotiator in creating a "suppliers' group" of advanced nations working together against nuclear weapons proliferation, said that the drive against chemical weapons is "not even as far along" and that it faces considerably more difficult problems.

Nye said it is more difficult to obtain a broad political consensus against chemical weapons, which lack the "species threatening" dimension of atomic weapons. For example, the Soviet Union, which has cooperated in the effort to control nuclear-weapons proliferation, is considered a big part of the problem in the proliferation of chemical weapons.

Moreover, chemical weapons are much easier to manufacture—and thus more difficult to control—than nuclear weapons.

Particularly worrisome, Nye said, are growing programs here and in the Soviet Union to investigate bioengineering, especially the creation of potent new biological substances, as a weapon of war.

The fields of chemical and biological warfare are governed by separate international agreements, but are closely related. The distinction is that biological weapons are living organisms, while chemical weapons are not. Falling in a middle ground are toxins such as "yellow rain," described by the United States as a chemical byproduct of biological processes.

Mounting concern about the spread of chemical weapons in Third World nations comes as a 40-nation conference in Geneva continues to work on a new worldwide chemical weapons ban, without notable success, and as the United States appears about to resume production of nerve gas for its chemical-weapons stockpiles.

Production was halted by President Richard M. Nixon in 1969, but the Reagan administration has waged a three-year battle to restart it.

After a major fight, a House-Senate conference committee authorized resumption of poison-gas production in July, and an appropriation

ARMED FORCES JOURNAL
December 1984

Promoting the Defense Budget: Some Intelligence Issues

by Maj. Gen. Jasper Welch, USAF-Ret.

It is December and the beginning of the last round of putting together the Fiscal Year 1986 budget of the US Department of Defense. Whatever its exact total may be, we can be sure it will be sufficient to qualify as a "very tidy sum."

But the DoD budget, even after running the Office of Management and Budget gauntlet, and even after approval by the President, is merely a proposal. In order for that proposed budget to become manifest it must be accepted by the American body politic, respected by our security partners, and feared by our adversaries.

In all of these subsequent actions the actors are complex political entities. None of them are beholden to the US Department of Defense. Each actor, for various reasons, will want to come to an independent judgment on the adequacy of the DoD budget, its detailed programmatic content, *and* the rationale used to promote it.

There are important policy and ethical issues raised by this necessary promotion of the budget.

We start with the promotion used by Secretary of Defense Robert S. McNamara, because his special problems and his solutions still influence current approaches. McNamara had received from President Kennedy the *public* charge—obtain all the defense the country needs, but obtain it at the lowest sound price.

Given McNamara's great admiration for analytic decision-making, this charge led to the publication annually of an extensive report, in the Secretary's name, that contained a detailed analytic rationale for every important budget decision (and many not-so-important ones). To meet the President's charge pro forma, the brunt of argumentation was squarely on why it was *not* necessary to budget more for this or that particular matter.

Congress, by and large, gave McNamara what he wanted—at first because they perceived him as a strong Secretary who was in charge of a Department that was difficult for Congress to control, and later because Congress began to realize that McNamara was setting up machinery whereby *Congress* could exercise detailed control long after McNamara was gone.

These defense *Annual Reports*, as they became officially titled, have continued to be the starting point for debating the defense budget. Most Washington insiders know that for 20 years most of these *Annual Reports*, from McNamara through Harold Brown, were written by one of only two remarkable men: either Henry Glass, a longtime civil servant, now retired, or William Kaufman, presently a professor at the Massachusetts Institute of Technology. Usually the *Annual Report* started with a classified version at the secret level, which also served to communicate the Secretary's policy within the Department.

This secret version could and did contain substantive intelligence on adversary forces. In many cases it contained summary intelligence data hitherto available only with special clearances well above the secret level. These summary data were displayed because it was necessary to provide the analytic underpinnings to the budget rationale.

The selection of intelligence to support the budget implies the non-selection (suppression) of other intelligence. Two forms of non-selection are worth distinguishing. The first, unequivocally reprehensible, is the non-selection of data whose disclosure would serve to undercut the budget rationale. The second, generally more important but less clearly pernicious, is the omission of intelligence concerning threats and missions that are being systematically downplayed in the budget at hand.

This second form is important because mission emphasis is the crux of proper budget allocation. It is not necessarily pernicious because intelligence clearly is not the only legitimate basis for mission emphasis. As a practical matter it is far better to allude to and discount intelligence on a de-emphasized mission than to ignore the data, especially if there are new or startling data. Some of the most undisciplined uses of intelligence data have been by proponents of de-emphasized missions in their zeal to reverse decisions by out-of-channel disclosures.

We have used the word "data" to this point in order to highlight the difference between "data" and "estimates." "Estimate" is the right word for what we *now* say an adversary *will* have in the future. Forming an estimate by one government about another government is a very complex and difficult task.

Both governments are affected by the process itself. The estimator is sorely tempted to engage in wishful thinking, distortions of convenience, and outright demagoguery. And the estimator is generally free to react to the estimate in time to fulfill it or to vitiate it.

One Secretary of Defense, when pressed ver harder for more decisiveness of wording on an estimate, cried out in exasperation, "You are asking me to decide for the Russians things that they have yet to decide for themselves."

Nonetheless, since it is a long time between when a budget is proposed and the time when its effect is felt in delivered hardware, the estimate of future adversary strength is crucial. And history shows that at least this nation has been systematically wrong in some of its numerical estimates over substantial periods of time.

Perhaps the best known example is the work of Albert Wohlstetter, who compared official estimates of Soviet strategic weapon systems with the much larger actuals for the late '60s and early '70s. Not long after, in 1976, the President's Foreign Intelligence Advisory Board spurred the Director of Central Intelligence to appoint a so-called "Team B" to develop independent estimates in three vital strategic areas.

Team B was asked a fairly narrow question: Could the intelligence data in hand support, with intellectual rigor, a more somber strategic estimate for the Soviet Union, and, if so, what would be the content of that somber estimate and on what differences in rationale would it be based? The intended privacy of the exercise was blown shortly after the election of 1976.

The matter became a cause célèbre of the Eastern press relating to implied harrassment of professional government employees ("Team A") for ideological purposes. The matter thereafter took on a bizarre twist with the mysterious death—and an even more mysterious post-mortem investigation—of Team B's executive secretary, a retired CIA employee.

Over the last few years the national level estimating process has been centered around respected and knowledgeable individuals who are publicly appointed as National Intelligence Officers for a particular country, region, or subject matter (such as strategic forces).

Only time will tell whether this produces more perceptive and more accurate estimates than the consensual committee system of the past. It is clear, however, that there is much more widespread professional respect throughout official Washington for the current arrangement.

After the Team B episode, in another attempt to build public confidence in CIA research, the then Director of Central Intelligence, Admiral Stansfield Turner, pushed a policy of open publication under CIA auspices. The policy was initially applauded and drew substantial interest from the press with prompt and widespread coverage.

More recently, many CIA publications have been treated to media hype beyond the toleration level at CIA's Langley headquarters. As a result, the current Director of Central Intelligence, William Casey, has quietly adopted a policy reversion to have no open CIA publication.

By contrast, Secretary of Defense Weinberger has introduced a new open publica-

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ON PAGE A-21

WASHINGTON POST
25 September 1984

Ellen Goodman

Force Feeding

BOSTON—Two men came to the Senate last week to spill the beans about Air Force coffee pots.

The airmen, who worked on spare parts at Travis Air Force Base, said that a 10-cup coffee maker for a plane had cost the Air Force $7,600. This did not include the stainless steel pot or, for that matter, the coffee.

The men brought another goodie with them to the Senate subcommittee: a flashlight the Air Force had bought for $180. They didn't bring the aircraft armrest that cost $670 each, but said that it could be manufactured for between $5 and $25.

The coffee pot, the armrest and the flashlight will be added to the infamous $436 hammer and the $1,118 plastic stool-leg cap. The names of Robert Greenstreet and Thomas Jonsson will be added to the list of whistleblowers.

But I for one refuse to pin a medal on these two men. It's just too easy to laugh at the military these days. It's like picking on someone who is suffering from a problem he can't control: force feeding. Today's military budget is rather like a tube permanently placed in the throat of the armed services, into which they mercilessly pour money.

Remember what happened in 1981 when budget officers found out that the administration was going to ask for an increase of $32 billion? As Nicholas Lemann reports in the October Atlantic, the first question facing the officers was, "What can we think of to spend all the money on." A man working on readiness accounts said, "Carter had given us a lot. The Weinberger team came in and said, 'Add more. Find room to add. Find places to put more money.'"

It was an article of faith among the Reagan people that the Soviets were outspending the United States. Indeed, it had to be an article of faith, since there simply is no way to estimate the Soviet budget.

The government says that in 1982 the Soviets spent $257 billion to our $196 billion. But the Soviets don't spend any dollars, they spend rubles. How do we compare these apples and oranges of two economic systems?

The CIA has devised some wonderfully fanciful ways. They count beans, and I don't mean coffee beans. They count up each piece of equipment and each military personnel and then figure out what it would cost us in dollars to have what they have. This leads Weinberger into Wonderland. A Soviet private, for example, is paid in rubles worth about $100 a month, while an American private is paid $573 a month. But we calculate the Soviet privates at American wages.

That's simple compared to what we do for equipment. We take a photo of a Soviet missile or plane. We then ask our own defense contractors to tell us what it would cost their companies to build the same missile or plane. We have no way of knowing whether these contractors will budget $670 for each armrest in the mythical Soviet plane. But when this whole bizarre process is over, we take the figures from Hughes Aircraft or whoever and charge those to the Soviet side of the ledger.

As Andrew Cockburn wrote in "The Threat": "The bottom line is that no one has the faintest idea what the real costs of Soviet defense are, and the tremendous efforts that go into finding a figure are solely for the purpose of helping drive up the U.S. defense budget."

But have a little sympathy for the military. Faced with this bogus accounting system, and pressure from the administration, the poor beleaguered men still have to figure out some way to outspend the mythical Soviet military budget. If the Soviets were listed, for example, as spending $50 on their hammers, then the least we could do for the sake of our country is to spend $436 on our hammers.

Spending here, spending there; spending, spending everywhere. It's pretty tiring stuff. Frankly, after a long, hard day spending, I think the officers in charge deserve a nice $7,600 cup of coffee without getting roasted for it.

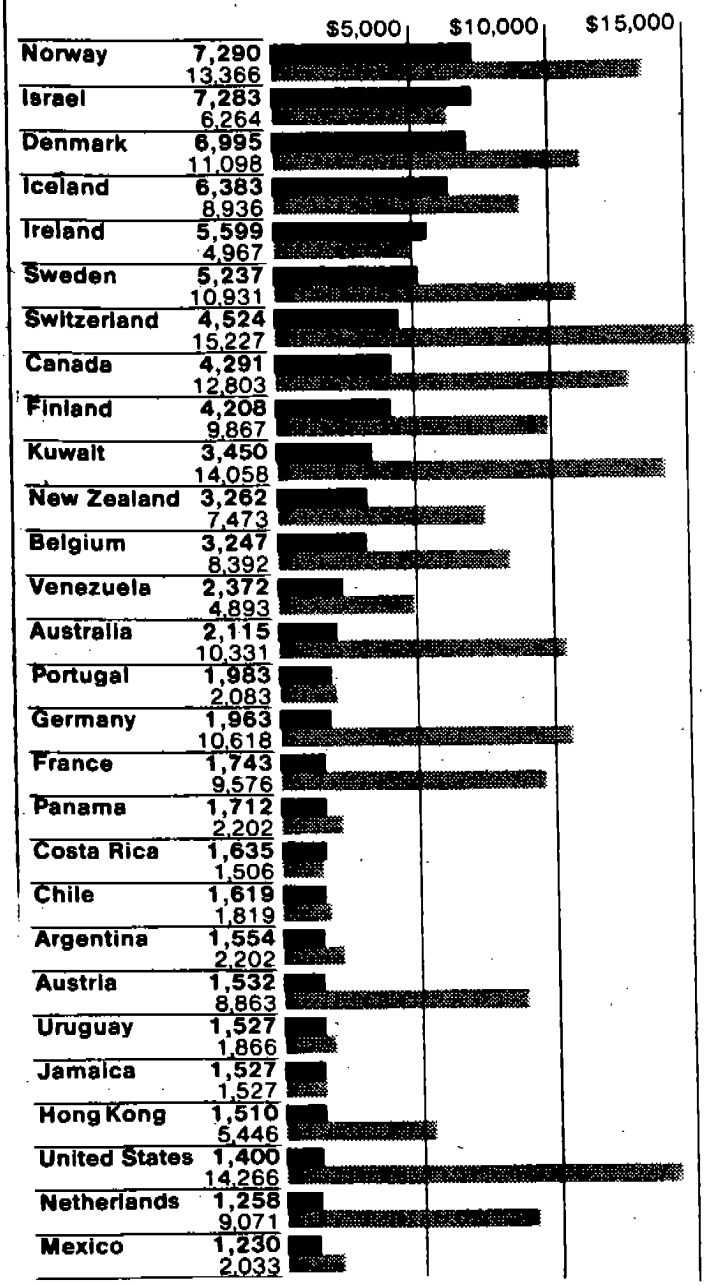
ARTICLE APPEARED ON PAGE 39

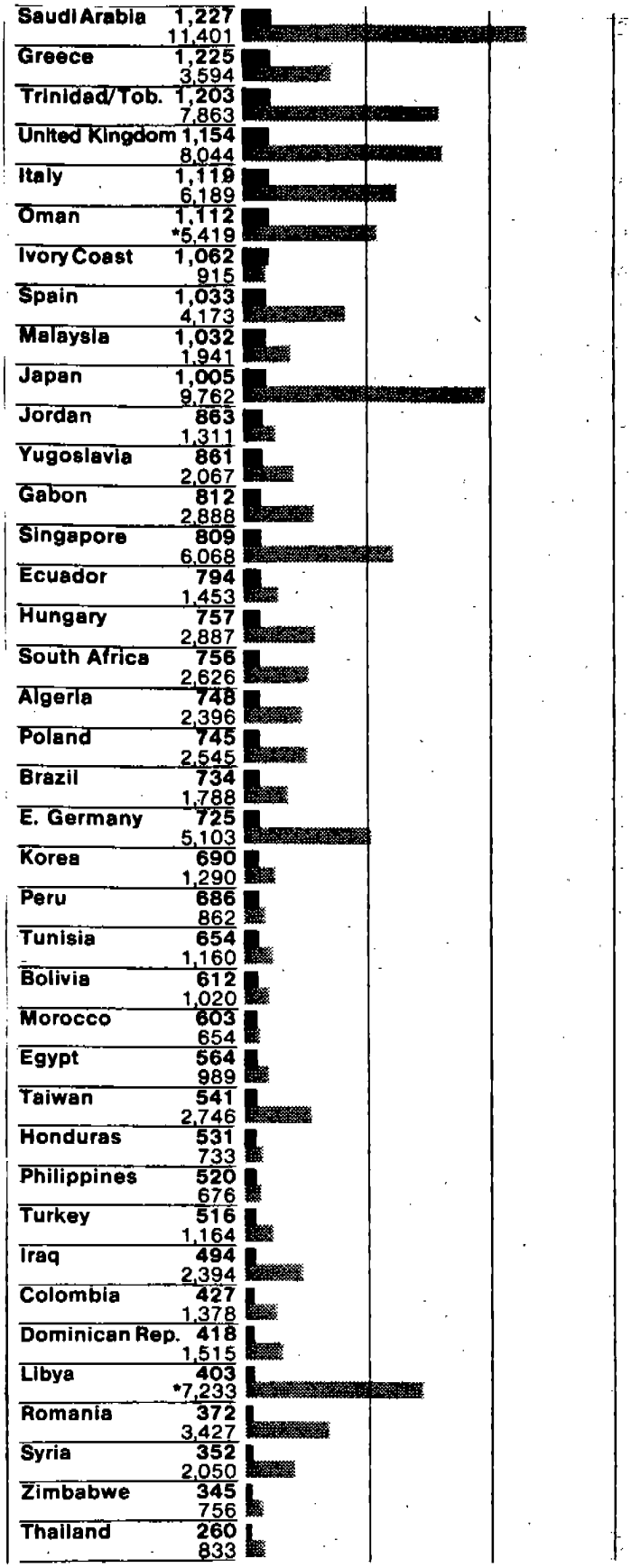
WALL STREET JOURNAL
22 June 1984

WORLD DEBT IN CRISIS

Per-Capita Picture

Analysts debate what's the best measure of a country's external debt. Most commonly used is the ratio of debt-service payments to export earnings (see opposite chart), because how much a country can afford to borrow depends on how much of its output can be sold for hard currency. But absolute debt compared to absolute output (GNP or GDP) is another guide economists use. In the chart below, the figures are given on a per-capita basis. When a country's external debt (black bar) approaches half its GNP (gray bar), economists watch closely.





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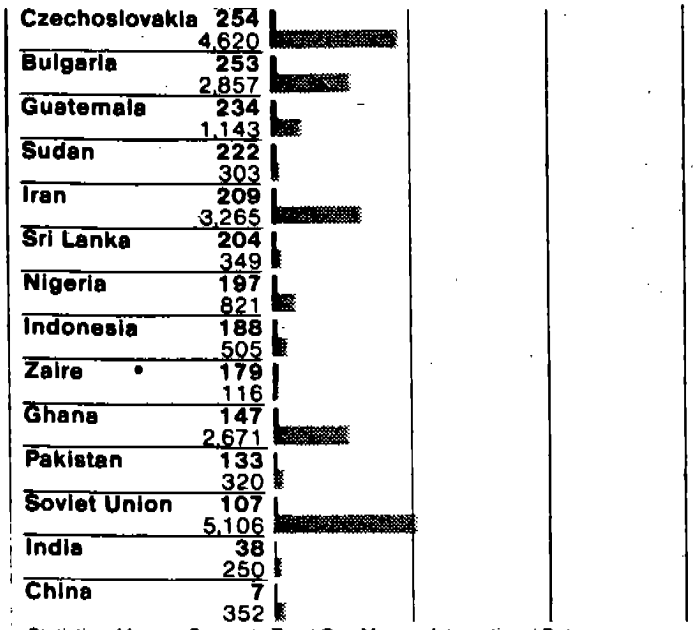

*Statistics: Morgan Guaranty Trust Co., Morgan International Data; Population Data: U.N.; *U.S. CIA estimates.*

ASSOCIATED PRESS
27 May 1984

GULF CUTOFF WOULDN'T CAUSE IMMEDIATE CRISIS, ANALYSTS BELIEVE

If the escalating Iran-Iraq war cuts off the shipment of Persian Gulf oil, a serious shortage would be unlikely in the short run, but a prolonged cutoff could cause prices to double, analysts say.

The analysts estimate the consuming nations could easily replace two-thirds of the oil that leaves the gulf by ship. Prices still would jump, but not seriously, they say.

A prolonged shutoff would mean much higher prices, with some analysts predicting prices could jump from the current level of $29 a barrel to around $60. But once shipments resumed, prices would fall back, the analysts add.

About 9 million barrels of oil pass daily through the 26-mile Strait of Hormuz, which links the Persian Gulf with the Gulf of Oman and the Arabian Sea. That is about 20 percent of the non-communist world's daily supply.

Dependence on the shipping lane varies greatly, with Japan getting 55 percent of its oil from the area and Western Europe 33 percent, the Central Intelligence Agency says. But the United States gets only 3 percent of its oil from the Persian Gulf.

Saudi Arabia, the United Arab Emirates, Qatar, Kuwait, Bahrain and Iran use the strait. Iraq, which used to ship oil from the gulf, has relied on its 650,000-barrel-a-day pipeline to the Mediterranean Sea via Turkey since September 1980, when its war with Iran began.

Saudi Arabia also has a pipeline that carries about 600,000 barrels a day to Yanbu on the Red Sea. Analysts say they believe that could be increased in an emergency to 1 million barrels.

In addition, analysts say, oil-producing nations outside the Persian Gulf could increase their production to add 3 million to 4 million barrels a day and natural gas and other fuels could replace a million barrels daily.

Many nations also have stockpiled oil. The U.S. announced this past Thursday, for instance, that it now has a 400 million-barrel emergency pool that could stave off a two-year disruption in Middle East supplies.

In addition, the International Energy Agency estimates there are about 600 million barrels of oil in transit on the high seas at any given time and there are 150 million barrels in waterborne storage. Together, that represents a two-week suppy at current daily consumption rates in the non-communist countries.

ARTICLE APPEARED ON PAGE 11-Sec 1

CHICAGO TRIBUNE
22 May 1984

Fascination with the Pacific Basin

William Pfaff

PARIS—The new American fascination with the Pacific Basin has a less solid base than many may think, although important questions are posed for the future. There is much enthusiasm in the United States about development of a vast Pacific market that would leave the Atlantic a backwater of trade. There are many in Western Europe, as well, who look at Asia's development with frightened [or despairing] concern for what this may mean for the future of Europeans.

America's interest in the Pacific is justified economically by the fact that the United States now has a larger trans-Pacific than trans-Atlantic trade flow. Japan, South Korea, Taiwan, Hong Kong and Singapore are rightly recognized as terrifically dynamic manufacturing and trading centers. Beyond them are a score of other nations yet to take off economically, one of them the biggest nation, and market, of all—China.

If all of East and Southeast Asia developed as Japan, and a few others, have developed, then we would certainly find ourselves with a transformation of world economic and political relations dwarfing mere trade considerations. We would see the overthrow of cultural and power relations established in and after the 16th Century by Europe's Renaissance, the rise of European science and the European exploration of the Americas, Asia and Africa [which resulted, in crucial respects, in their Westernization]. The Pacific would become the center of world economy and industry, and undoubtedly of world power.

But *will* the rest of Asia develop as Japan has developed? This is the critical question; and the answer is far from certain.

First of all, it must be noted that the only Asian societies that have successfully and innovatively industrialized are those culturally derivative of China. They are the overseas, culturally dependent offspring of China. That culturally different societies in Asia can, or will, develop in the same way does not logically follow. It might happen. There has yet to be evidence that it will happen.

It would seem logical, though, to think that China itself will industrialize in the way its offspring societies have done. Yet precisely because China is a great, ancient and self-sufficient civilization, it may not be able to do what the others have done, which has amounted to turning themselves inside out. These frontier states, simply because they have been vulnerable, less than totally self-sufficient, may have been able to change themselves in ways the central civilization cannot.

We are, in any case, talking in terms of decades, if not centuries; the success of the Pacific Basin, if it comes, is not for tomorrow.

For now, the Pacific Basin needs to be seen in realistic scale. The shift in trade of the United States to Asia is not in itself a decisive indicator. Nor is it necessarily very healthy for the American economy. Food and raw materials are exported by the United States, and sophisticated consumer goods are imported—to compete with U.S.-made goods.

The actual weight of the Far Eastern economies is distorted by the presence of Japan, the second-largest national economy in the world.

China's industrial output—its gross national product—is much argued, the figures doubtful, but the CIA estimate for 1981, in 1980 dollars, is only slightly above the official figures for Britain's economy alone. South Korea's economy, in 1982 figures, is slightly larger than Denmark's, about 70 percent that of Belgium, a quarter that of Canada. Taiwan's economy, on the latest figures, is about 80 percent as large as Denmark's, a little bigger than that of Greece, smaller than Norway's.

On 1982 figures for gross domestic product, NATO Europe possesses a total output worth over $8 trillion, which is three times that of Japan, much more than twice that of all Asia, slightly larger than that of the United States itself. Common Market Europe is the largest trading group in the world. The Pacific Basin may provoke interesting thoughts about the future, but these should be taken for no more than that. For the present, it is Europe that weighs in world economic scales.

NEW YORK TIMES
16 May 1984

McNamara on Record, Reluctantly, on Vietnam

By CHARLES MOHR
Special to The New York Times

WASHINGTON, May 15 — In two days of questioning this spring, Robert S. McNamara said he ceased to believe that the Vietnam War could be won not long after American combat troops were committed to the conflict in 1965.

Mr. McNamara, the Seretary of Defense in the Kennedy and Johnson Administrations, who was known for his appetite for facts and figures, also said he lost faith in the military statistics that he helped create because "they made no sense."

Mr. McNamara has resolutely refused to discuss in public the Vietnam War and his role in it since he resigned as Secretary of Defense on Feb. 28, 1968. However, in late March of this year he was subpoenaed to give a deposition in the libel suit brought by Gen. William C. Westmoreland against CBS Inc.

The suit arose after CBS News suggested in a documentary broadcast Jan. 23, 1982, that the American military, and specifically General Westmoreland, had altered figures on the strength of enemy forces in Vietnam to make it appear that the United States was winning the war. The general, now retired, commanded American forces in Vietnam from 1964 to 1968.

Reluctant and Unresponsive

The initial McNamara deposition runs to 444 pages, and lawyers said he would probably be called for futher deposition.

Despite Mr. McNamara's strong reluctance to discuss the war at all and his apparent unresponsiveness to many questions, his deposition portrays a public servant unwilling to come to terms with his past record and a one-time policy maker who grudgingly continued to administer what he believed was a lost war.

At one point in the two-day questioning, Mr. McNamara said he would resist to the limits of his legal power having to discuss the war. After an "off-the-record" interlude, in which his own attorney may have convinced him that he had little recourse, he went on to give what students of the Vietnam conflict may regard as his most complete accounting of his stewardship.

However, early in the deposition, taken in Washington, he said: "I want it clear on the record that you are extracting these answers from me against my wishes. I have never spoken publicly on Vietnam. I have no intention of doing so."

Mr. McNamara said the events in question occurred 20 years ago and "my memory is imperfect."

"I was a particpant in a decision-making process," he added. "I do not believe a participant should be judge of his own actions or the validity of those actions."

Unable to Recall His Opinions

On more than 100 occasions, Mr. McNamara protested that he could not recall his opinions or those of others during the war or basic facts about the conflict. At one point he said he was unable to recall the opinions of any other major policy maker. Yet, at other points in the deposition, his memory seemed more firm.

Under the persistent questioning of David Boies, a lawyer in the New York firm of Cravath, Swaine & Moore, which represents CBS, Mr. McNamara made these points:

¶Of the war, he testified, "I did not believe it could be won militarily." He said he came to this view in 1966 "if not earlier." He later said that it might have been 1965.

¶He was almost contemptuous of the bombing program in North Vietnam, testifying that he doubted it had any chance of forcing North Vietnam either to end the war or to neogtiate. He said he never recommended a sharply reduced bombing schedule but, instead, tried to hold bombing to moderate levels.

¶"For a considerable period of time," the former Defense Secretary said, he and President Johnson disagreed about the conduct of the war and "eventually came to a parting of the ways." But he professed to be totally unable to recall his discussions with the President before leaving office. Did he resign or was he asked to do so? "I'm not sure I decided. It would have been the President who decides." Mr. McNamara asserted the President never gave him an explanation of the necessity for his departure from the Pentagon.

¶Throughout 1967, Mr. McNamara testified, he successfully resisted a request by General Westmoreland that 200,000 troops be added to the more than 500,000 troops already fighting in Vietnam. "I believed it would carry human and political costs disproportionate to any military advantages it would bring," the former Secretary said. "At a certain point one would come to the conclusion, as I did in 1967, that we had gone as far as we could or should to assist the South Vietnamese to help themselves, and if they couldn't we shouldn't go further."

¶At one point Mr. McNamara said it was fair and correct to say that he had asked for more and more statistics by which to measure the conduct of the war. He added, "Statistics are nothing other than the means of convenying information and recognizing that information is frequently imprecise; it is better to have as much coverage as one can get."

¶But he subsequently stressed and re-stressed his growing disenchantment with the military reporting from Vietnam. "Because," he said, "you couldn't reconcile the number" of the enemy, "the level of infiltration, the body count and the resultant figures. It just didn't add up. I never did get the answer, because there weren't any answers." Mr. McNamara protested he could never get "a balanced equation."

This was a reference to the mathematical inconsistency, often noted by

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ARTICLE APPEARED ON PAGE A-1

NEW YORK TIMES
11 May 1984

Report for Congress Doubts MX's Value Against Soviet Arms

By STEVEN V. ROBERTS
Special to The New York Times

WASHINGTON, May 10 — Recent advances in Soviet technology cast doubt on the ability of the MX missile to accomplish its objective of destroying the Soviet land-based missile force, a new report from the General Accounting Office says.

But a Pentagon spokesman said today that the report was in error and that the MX was fully able to hold "the hard Soviet targets at risk."

The G.A.O., an investigative arm of Congress, completed the report this week, and copies circulated today on Capitol Hill. It seems likely to become an important factor in the debate next week when the House of Representatives considers a Defense Department measure calling for 30 MX missiles costing a total of $2.7 billion.

Representative Fortney H. Stark, a California Democrat who opposes the MX, interpreted the report this way: "We may be building a missile that's absolutely useless. It may be a bargaining chip, but it's from the wrong casino."

The report was produced by the accounting office as part of its continuous monitoring of major weapon systems. The document was not due to be made public until next month, but Representative Stark and two dozen other opponents of the program asked that it be published before the House debate.

The clash between the General Accounting Office and the Pentagon apparently stems from a disagreement over which intelligence estimates should be used. The accounting office said it relied on data supplied by the Air Force. The Pentagon said it was basing its estimate on information gathered by the Central Intelligence Agency and the Defense Intelligence Agency.

The key finding in the report concerns the ability of the Soviet Union's silos to protect its missile force. Military experts refer to this ability as "hardness," meaning how well the silos withstand the blast of a nuclear explosion. The accounting office says that according to information supplied by the Air Force, the Soviet Union has increased the "hardness" of its silos threefold since the MX missile, which the Administration refers to as the "Peacekeeper," entered full development in September 1979.

"The ability of the Peacekeeper to accomplish its mission," the report states, "may have been impaired because a major change has occurred in the threat it was initially designed to overcome.

"Formal reassessments of the ability of the Peacekeeper to meet the expected threat have not been made. There is some risk that threat changes may require modifications to the missile to improve its performance."

Two Modifications Mentioned

The accounting office said two modifications to the missile could be required to overcome increased Soviet defensive capacity. One would be to increase the accuracy of the missile; the other would be to increase the power of its warhead.

The Pentagon spokesman, who spoke on condition he not be identified, said that the accounting office report contained an "incorrect statement" when it describes a threefold increase in the strength of Soviet silos. According to the latest intelligence information, the spokesman said, the hardness factor has increased only 50 per cent over a decade.

"We foresaw this increase in hardness," the Pentagon spokesman said. "We set our requirements for the MX accordingly."

Therefore, the spokesman added, the MX, or missile experimental, as now designed is capable of destroying current Soviet silos, and no further modifications of the weapon are required.

According to the spokesman, Pentagon officials who saw a draft of the report several weeks ago told accounting office investigators that their assessment was wrong. "But they chose not to change it," he said.

He also noted that the report quoted the Air Force as the source of its data on silo strength. But intelligence agencies, not the Air Force, are the proper source of such data, the spokesman said.

The report also suggests that the Pentagon is taking a "major risk" by starting production of some components of the missile before they are fully tested. In addition, the report says, deployment is scheduled to begin in 1986, before the entire system is subject to thorough flight-testing.

Representative Stark said that this plan smacked of "reckless abandon" by the Pentagon. "We seem to be building weapons systems that haven't been adequately tested," he said. "They may be trying to get this thing into production so we can't stop it."

Last year, Congress mandated the obtaining of the first 21 MX's at a cost of $2.1 billion, and said that the first 10 should be deployed by December 1986. Mr. Stark noted that as the production schedule accelerated, it would be harder for Congress to stop the missile, because it would become an economic benefit in many Congressional districts.

"You build a constituency as you build a weapons system," he said.

The Pentagon spokesman acknowledged that some parts of the missile would be built before they were fully checked out. But he described them as "low risk components" that were familiar from other weapons and not likely to fail.

A third issue raised by the accounting office is cost. The problem is complex, because the number of missiles produced, and their method of basing, have been altered by Congress. But the report asserts that the price of each missile had increased 36 per cent since the program began.

It Provides No Alternative

The Pentagon calls the figure too high, but declined to provide an alternative.

A second report by the General Accounting Office was delivered today to Representative Nicholas Mavroules, a Massachusetts Democrat who is leading the fight against the missile. According to a Mavroules aide, the report states that none of the money appropriated for the missile in this fiscal year had actually been spent, and less than one-quarter of the total work had been contracted out.

"What it shows us," the aide said, "is that there are some technical problems in this program."

ARTICLE APPEARED ON PAGE A-26
NEW YORK TIMES
27 January 1984

Letters

Defense Spending: On the Use of Soviet Yardsticks

To the Editor:

Gordon Adams's Jan. 10 Op-Ed article ("Moscow's Military 'Costs' ") is riddled with contradictions and unfounded assertions which deny validity to his principal thesis — that defense spending under President Reagan has been unnecessarily high.

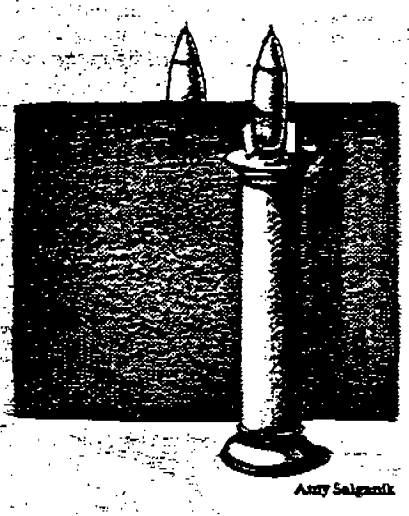
Mr. Adams begins by saying the Administration's defense budget is based on estimates of Soviet military spending. He maintains these estimates "vastly overstate" actual Soviet arms spending because of the methodology used.

Then, shifting ground, he implies the Administration rejects the spending estimate (i.e., input) approach, focusing instead on "production and large stockpiles" of Soviet weapons (output measures). This latter approach fails to justify our buildup, according to Mr. Adams, because the strategic and conventional military balance is approximately even.

Mr. Adams's statements about the military balance are not supported by argument, and his vague reference to "data amassed" by various authorities is no substitute for analysis of this critical issue.

More interesting is his contention that the C.I.A. overstates Soviet military spending by estimating what it would cost the U.S. to match the Soviet level of military output.

"Our wage and material costs," says Mr. Adams, "are higher than Moscow's." In the strictest sense, they are. A Soviet worker in the civilian economy is far less productive than his U.S. counterpart. It follows that the opportunity cost of employing him in the military is less. Yet it does not follow that the C.I.A. has been overstating Soviet arms spending or that our defense budget is too high. Consider:



Amy Salganik

- The only valid criterion on which to base the U.S. defense effort is Soviet military output — both in quantity and in quality. We must be able to match Soviet military capabilities to the extent necessary for deterrence.
- Soviet military spending is relevant as an indicator of the priority assigned to the military sector, and the burden this sector places on the economy. As such, spending should be expressed as a percentage of society's total productive capacity.
- The only conceivable reason for coming up with a dollar expression of Soviet arms spending is to give us a rough idea of absolute levels of resource commitments to the Soviet military sector. Since most Americans are unfamiliar with the Soviet economy, it is hard to visualize X percent of Soviet G.N.P. But we know that Y billion dollars represents so many man-years of trained personnel, so many vehicles, ships, etc., in our own economy. For this purpose, the C.I.A. methodology, so derided by Mr. Adams, is entirely appropriate.

Mr. Adams seems to think that the dollar figure for Soviet arms spending should be based not on American resource costs but on Soviet ones. Such a figure would be meaningless. For example, the Soviets "pay" their conscripts 5 rubles a month — $8 at the official exchange rate. That compares with several hundred dollars a month spent by the Pentagon to hire a volunteer away from the private sector.

Using Mr. Adams's approach, we would conclude the Soviets are spending far less on soldiers than we are. Yet a Soviet infantryman wielding a Kalishnikov rifle is every bit as much a fighter as a U.S. private with an M-16. It would be absurd for us to base our manpower spending on the $8 figure or, for that matter, on any other version of Soviet manpower costs. Output is what counts. The same applies to other areas of the military.

After criticizing the C.I.A.'s estimates for the past seven years, Mr. Adams is only too happy to embrace their latest downward revisions of Soviet arms spending. Indeed, the C.I.A.'s track record in forecasting key internal variables for that country has been dismal (in 1977 it predicted a Soviet "oil crisis" that never materialized).

But the evidence, specially from former Soviet economists and other experts with firsthand experience in the U.S.S.R., suggests the C.I.A. has consistently underestimated Soviet arms spending and continues to do so.

In 1976, for instance, the C.I.A. announced it had been off by 100 percent in its assessment of the Soviet defense burden. The figure was revised from 6 percent to 12 percent of G.N.P. As Lev Navrozov pointed out in a recent article, even these higher figures do not account for the fact that the Soviet military employs 13 times as many engineers as the U.S. military, or that the U.S.S.R. produces twice as much steel as the U.S. but uses less in the civilian economy (where does the rest go?).

The C.I.A. is a closed, noncompetitive bureaucracy with few reliable sources within the U.S.S.R. It relies heavily on official Soviet statistics for its estimates. There is little ground for Mr. Adams's new-found faith in them.

DAVID A. MORO

New York, Jan. 15, 1984

The writer is a financial analyst at Morgan Stanley.

ARTICLE APPEARED ON PAGE 28

WALL STREET JOURNAL
6 December 1983

Why the CIA Undershoots Soviet Arms Spending

By Lev Navrozov

Every year the Central Intelligence Agency makes public two estimates crucial for Western policies: "Soviet defense spending" and its rate of growth. The agency's latest numbers are being used to play down the need for a U.S. rearmament policy. Some background is in order.

Before 1976, the CIA's estimate of Soviet defense spending hovered around 6% of the Soviet gross national product—roughly matching the American percentage. The "Soviet defense burden," the CIA stated in 1973, "is no greater than that of the United States," and the "Soviet share of gross national product spent on defense has been falling." This good news nurtured detente and sapped the stronger defense policy. In 1976, the CIA announced that every year it had been making a 100% error: Soviet defense spending had been closer to 12%, not 6%, of GNP, and had been growing since 1966 at 4% to 5%. It was time for detente to wane and for defense to wax.

According to the CIA's testimony this year before Congress's Joint Economic Committee, released to the press last month as a 66-page report, Soviet defense spending has been growing not at 4% to 5%, but at "about 2% a year . . . because procurement of military hardware—the largest category of defense spending—was almost flat in 1976-81." And, according to "preliminary estimates available for 1982," the "trends . . . are continuing." Now it is time for opponents of Mr. Reagan's defense policy to rejoice.

That the CIA's estimates of the Soviet GNP share spent on defense are absurd is obvious at a glance. About 300,000 engineers and 400,000 "junior engineers" are graduated in the U.S.S.R. annually, and half of these 700,000 go into the military sector; in the U.S., 60,000 engineers are graduated, and only one-fifth of them go into the defense industry. The expenditure ratio in this area is thus almost 60 to 1, considering the fact that the pay of Soviet military engineers is on the average twice as high as that of civilian engineers. How can the Soviet economy pay for such ratios if Soviet defense spending as a share of GNP roughly matched its American counterpart according to the pre-1976 CIA, and is only about twice as high according to the post-1976 CIA?

The key to the CIA calculus is the Soviet GNP. Yet the CIA can't now calculate the GNP for the U.S.S.R., if only because most Soviet goods and services are priced by fiat; and few of them can be sampled and evaluated, since they are foisted on Soviet consumers far from foreign eyes.

Predictably, the Soviet Central Statistical Office inflates the value of the overall Soviet output in order to make its military sector look small. Thus, this office claims that the Soviet national income in dollars was, as of 1976, 67% of its American counterpart. The CIA's latest Soviet-American *GNP* ratio in dollars for the same year is 73.7%—*more* favorable to the Soviet economy than the national income ratio. Actually, the GNP ratio must be far less favorable to the Soviet economy than the national income ratio, since the latter disregards services and plant depreciation, and it is precisely in those two areas that the Soviet economy lags further behind the U.S. than it does in goods.

The CIA reports give no sources for data. An American unfamiliar with the Soviet press is likely to infer that those are secret intelligence sources. Actually, they are "open" Soviet books and pamphlets—i.e., Soviet propaganda—since the CIA has never been able to obtain "closed" Soviet statistics.

In its American-Soviet GNP comparisons, the CIA uses a methodology appropriate for comparing the GNPs of the U.S. and, say, Western Europe. Thus the CIA ignores, in terms of both cost and value, the Soviet lack of Western diversification, innovation and sophistication of consumer goods and services, as well as of trade itself, whereby the right goods and services reach the right customers at the right time. Using the CIA's methodology, it can be proved that even Soviet labor-camp inmates consume, in terms of dollars or rubles, not so much less than median-income Americans.

Having inflated the Soviet GNP more than Soviet propaganda does, the CIA gets, if only for that reason, "Soviet defense spending" as an absurdly low percentage of GNP.

There are other reasons. As is clear even from the reports, the CIA has no human agents at the top of the Soviet infrastructure. Thus, it can perceive and evaluate the weapons tested, built or deployed under optically or electronically observable conditions, but not the weapons developed, produced, stored or deployed on optically and electronically closed premises. It can't know to what extent each "civilian" institution works as a military one. With the greater importance paid nowadays to high-technology surveillance, as opposed to the former belief in the necessity of agents in place, the discrepancy between what is observed by the CIA and what actually occurs has only widened. Nor does the agency allow for the fact that civilian production mainly receives those human and other resources rejected by the military.

While the CIA's "Soviet defense spending" is an imaginary "shaggy dog" that the CIA can reshape at will, the rate of that spending's growth is an imaginary flea on that imaginary dog: If the CIA announced in 1976 that its "Soviet defense spending" had been wrong by 100%, how can the CIA presume that it increases at "about 2%" and not 4% to 5%?

"The slowdown in Soviet military growth" is the only new fact in the CIA's testimony this year. Just like its predecessors, it is a digest of the Soviet press. Thus we learn that in 1982 the Soviet economy produced 147 million tons of steel, compared with 66 million tons produced in the U.S. But what does the regime do with all that steel, considering how little goes into cars, housing and highways, and considering how much rolled steel ($5.3 billion a year) the regime imports? The answer is missing in this year's CIA report, just as it was missing 10 years ago.

The CIA report abounds in slogans lifted unthinkingly from the Soviet press. "Production of fruits and vegetables reached record levels. . . . " "Meat output. . . . reached a record level. . . . " "Railroad performance has also improved markedly. . . . " Andropov's regime "has shown concern for the welfare of the population. . . . " The latter is a Soviet cliche in use since 1918.

In 1977, the CIA made the groundless and indeed preposterous prediction that the Soviet economy faced an oil crisis; this year, the CIA explains that the Soviet economy "has thus far averted the downturn in oil production . . . by virtue of an enormous brute-force development effort . . .," as though there is a Soviet national development effort that can't be credited to brute force.

The CIA is a closed, noncompetitive bureaucracy that is practically unopposed, since most of the major news media agree with its intelligence. All attempts to expose its scholastics have failed. Thus, in 1978 I submitted to the CIA a 150-page analysis of its reports and then distilled my paper into an article for Commentary that Ronald Reagan and his associates hailed enthusiastically. But that applied to Jimmy Carter's CIA. When the CIA became Mr. Reagan's, the enthusiasm evaporated.

Recently, former Soviet economist Igor Birman made a painstaking study showing that the CIA doesn't know the Soviet economy as it exists, but as it seems on the basis of purely American experience and "open" Soviet statistics. The CIA has never budged, and possibly never will.

Mr. Navrozov, a Russian emigre, writes frequently on Soviet affairs and intelligence matters.

ARTICLE APPEARED
ON PAGE A-14

WASHINGTON POST
22 November 1983

Soviets Reported Slowing Rate of Military Buying

By Fred Hiatt
Washington Post Staff Writer

Since 1976, the Soviet Union has slowed the rate at which it procures tanks, airplanes and other military equipment rather than accelerating defense spending as the Reagan administration has suggested, senior intelligence officials said yesterday.

The officials, who spoke on condition that they not be identified, said the CIA believes that Soviet defense budgets stayed even or increased only slightly from 1976 through 1982, the last year for which reliable information is available.

Fewer planes and tanks were purchased, as the Soviets joined the United States in discovering that increasingly complex military technology strains budgets, the officials said.

The Reagan administration has sought to justify large U.S. defense spending increases by claiming that the Soviets have engaged in an unprecedented military buildup.

The CIA estimate differs marginally from the assessment of Pentagon intelligence officers, who agree on the trend in equipment produced but say they believe that Soviet expenditures have grown.

The senior intelligence officials said their analysis does not contradict President Reagan's position because, even without growth, the Soviet defense budget remains 25 to 45 percent higher than U.S. spending.

They also stressed that military spending does not measure "combat effectiveness," which depends on many factors.

"This has no implication for the U.S. defense budget, as far as I'm concerned," one analyst said.

The officials said that not since the early 1960s had Soviet defense spending slowed as noticeably as since 1976. The officials said they do not believe that the trend reflected several years of U.S.-Soviet detente preceding the current plateau or a deliberate decision to restrain spending.

Instead, they attributed the slowdown to weapons-testing problems and delays, a "policy decision" to adhere to weapons limits set in the SALT I and II arms-control talks and general economic problems involving transportation and basic-material production.

While insisting that world events had no impact on the slowdown, the officials said a Soviet view of increasing world tension may prompt increased military spending.

They said the Soviets are developing more weapons systems than ever and have "expanded the bases of production."

A decision to increase defense spending would force the Soviets to abandon plans for decreasing their citizens' cost of living, they said.

The Reagan administration increased the defense budget during its first year by about 12 percent in "real," after-inflation growth. That budget grew by about 7 percent last year and less than 4 percent this year, and the Pentagon has drafted a preliminary request for 17 percent real growth next year.

U.S. officials say real growth in Soviet defense spending averaged between zero and 3 percent from 1976-82. The range reflects departmental disagreements on how to calculate Soviet inflation and money exchange rates.

ARTICLE APPEARED
ON PAGE 6

NEW YORK TIMES
19 November 1983

Soviet Arms Spending Said to Slow

By HEDRICK SMITH
Special to The New York Times

WASHINGTON, Nov. 18 — The Central Intelligence Agency said today that Soviet military spending, especially for procurement of new weapons systems, had grown more slowly in the last seven years than previously thought.

"New information indicates that the Soviets did not field weapons as rapidly after 1976 as before," said the report released by the Joint Economic Committee of Congress. "Practically all major categories of Soviet weapons were affected — missiles, aircraft and ships."

President Reagan has repeatedly said the Soviet Union is engaged in an unprecedented military buildup, but the C.I.A. study said that for the last seven years the annual growth in Soviet military spending was only half what it was in the 1966-76 period. From 1966 to 1976, it said, Moscow increased military outlays by 4 to 5 percent a year.

'About 2% a Year' on Military

"Our new estimate, however, shows that like overall economic growth, the rise in the cost of defense since 1976 has been slower — about 2 percent a year," the C.I.A. report said.

But the agency also estimated that in Yuri V. Andropov's first year as the Soviet leader, the Soviet economy rebounded from sluggish performances in 1981 and 1982, when the growth rate was 2 percent. This year, the report forecast growth of 3.5 to 4 percent.

The Soviet economic rebound, the agency said, leaves open the question of whether the Kremlin leadership will now feel it can push Soviet military spending at faster rates.

In energy production, the C.I.A. said, Moscow's "prospects for the future are considerably better than we once thought." In 1977, the agency predicted that Soviet energy production would significantly taper off and that the Soviet Union would be an energy importer by 1985.

No More Currency Squeeze

The report issued today said Soviet natural gas, coal and oil output were all advancing. It also said Moscow had significantly recovered from a hard-currency squeeze in 1981 by holding down imports and strongly pushing petroleum exports.

In spite of the slowdown in Soviet military spending, the study said, Moscow's military budget still outstrips the Pentagon budget by at least 25 percent.

Nonetheless, with Congress having approved a 5 percent increase in the 1984 Pentagon budget, Senator William Proxmire, Democrat of Wisconsin, deputy chairman of the Joint Economic Committee, said the "slowdown of Soviet defense growth rates has profound significance that has not yet penetrated policy circles."

"In one sense, the C.I.A.'s new estimates demonstrate that the Soviet defense program is very large and still growing, although at a slower rate than before," Mr. Proxmire said. "But Moscow has not been expanding its effort at the rapid rate that was once believed. It slowed its defense expansion beginning about seven years ago, a fact that the Soviets neglected to communicate and that the West failed to detect."

Dispute Over Estimates

Last spring Pentagon and C.I.A. specialists were reported to be arguing over levels of Soviet military spending. The Pentagon estimate was that Moscow was proceeding as ambitiously as before, but C.I.A. officials said those estimates were overstated.

Today's report indicated the agency was sticking to the more cautious view of Soviet spending. "The rate of growth of overall defense costs is lower because procurement of military hardware, the largest category of defense spending, was almost flat in 1976-to-81," the agency study said. Preliminary estimates for 1982, it added, show the same lower trend is continuing.

The study attributed the slowdown in military procurement since the late 1970's to technological problems, industrial bottlenecks and policy decisions. It also speculated that some money previously allocated to buying new weapons might have been diverted to research and development.

Nonetheless, the agency report indicated that such momentum was generated in the late 1960's and early 1970's that Moscow continued to accumulate large stocks of new weapons. Moscow also allocated roughly 13 to 14 percent of the total Soviet budget to military spending, roughly double the American figure.

The agency said present Soviet levels of spending were so high that since 1975, despite "the procurement plateau," Soviet forces have received about 2,000 land- and sea-based intercontinental missiles, more than 5,000 tactical combat and interceptor aircraft, 15,000 tanks and substantial numbers of naval surface vessels and submarines.

Lower Growth Rate Predicted

Assessing Mr. Andropov's first year, the agency study said his economic policies had not brought much innovation. "Continuity has been far more pronounced than change," it said. In this year, it projected a lower annual growth rate of around 2 percent in the next few years.

More broadly, the study said the new slower trend in military procurement along with continuing domestic economic problems and the political succession of Mr. Andropov "raise important questions about the future of the Soviet defense effort."

It suggested that the current leadership "may well be under pressure to speed up defense spending" but that any major effort to do so "could make it even more difficult to solve the fundamental economic problems facing the Soviets" by forcing cutbacks in investment in the civilian sector and in consumer goods.

In the long run, it said, such a strategy could "erode the economic base of the military-industrial complex itself."

Despite these competing economic pressures and priorities, the study said the Soviet economy had shown enough strength to conclude that it "is not on the verge of collapse."

ARTICLE APPEARED
A6
NEW YORK TIMES
29 October 1983

Invasion in Grenada: Flawed Intelligence Debated

U.S. Now Puts the Strength Of Cubans on Isle at 1,100

By PHILIP TAUBMAN
Special to The New York Times

WASHINGTON, Oct. 28 — The Reagan Administration further increased its estimates of the number of Cubans in Grenada today amid growing debate about why intelligence agencies failed to measure Cuban strength more accurately before Tuesday's invasion.

Administration officials said the latest figures showed more than 1,100 Cubans were in Grenada, 10 percent more than reported by the Government on Thursday and almost twice as many as estimated before American and Caribbean assault forces invaded.

At the same time, some military sources said privately that reports from Grenada today indicated that 610 Cubans were being held prisoner and 800 to 1,000 were still at large.

Adm. Wesley L. McDonald, Commander in Chief of American forces in the Atlantic region, said at a Defense Department news conference that 638 Cubans, including a colonel, are being held prisoner at Point Salines and Pearls airports in Grenada. He said 17 Grenadians are also being held captive.

Admiral McDonald said the Defense Department did not know the whereabouts of the remaining 500 or more Cubans, but assumes they have fled into the hills where invading forces continue to encounter pockets of armed resistance.

Cuban Documents Cited

"I think they're going back into the hills," Admiral McDonald said. "They're fighting a delaying action or they're taking us on to defend the military areas that they have been assigned to. As those places are being overrun — I would say with a restraint of force — they are disappearing into the mountains."

Admiral McDonald and other Administration officials said the figure of 1,100 Cubans was based partly on documents found at a Cuban military installation in Grenada overrun earlier this week. The estimate is also drawn from comments by Cuban prisoners, the officials said.

Confusion on the ground in Grenada makes it impossible to provide a precise count of Cubans, the officials said.

President Reagan and his top aides have increasingly emphasized the Cuban presence in Grenada as a justification for the invasion. Mr. Reagan said Thursday that the invasion had prevented a planned "Cuban occupation of the island."

Admiral McDonald said today that documents captured by American forces indicated that Cuba planned to send 341 additional officers and 4,000 reservists to Grenada soon. He said that the Cubans appeared to be planning to take over control of the island and install their own government.

The documents cited by Admiral Mcdonald and other secret Cuban military papers that Administration officials said have been found in Grenada have not been made public.

Gap Called a Handicap

Before the invasion began, however, intelligence reports about the Cuban presence on the island indicated little danger that such an occupation was imminent, according to intelligence officials and public statements by Administration aides.

Some military officers have said privately that the gap in intelligence seriously handicapped planning for the invasion and left the troops that landed unprepared for the intense resistance they faced from heavily armed Cuban combat forces.

"One of the fundamentals of warfare is knowing the strength of your enemy and in this case we were badly surprised," a senior military officer said.

Admiral McDonald, noting that "resistance was much greater than expected due to the extensive Cuban military involvement on the island," said, "I didn't have enough intelligence but I don't think there was a failure there."

The collection of intelligence information in places such as Grenada does not normally involve the kind of detailed, tactical reporting needed to plan an invasion, the admiral said, adding: "I don't think the system failed, I just think we didn't have the time to concentrate on it."

Intelligence Coverage Increased

Admiral McDonald said that intelligence coverage of Grenada was not stepped up until several days before the invasion. "When we were invited by the Organization of Eastern Caribbean States to intervene it became obvious we had to solicit as much intelligence as we could," he said.

He added, "We were not micro-managing Grenada intelligencewise until about that time frame."

The Administration has said that the United States first received a request to intervene early last Saturday.

In an appearance today before the Senate Select Committee on Intelligence, William J. Casey, the Director of Central Intelligence, said that intelligence coverage of Grenada, including overflights by American spy planes, was increased over last weekend, according to several senators on the panel. The senators said that Mr. Casey had told the committee that the C.I.A. had few agents on the island before the invasion.

Admiral McDonald, like other Administration officials, said that estimates before the invasion placed the number of Cubans in Grenada at 500 to 600, with at least half serving as construction workers. It was not apparent until after the invasion began, he said, that many of those were trained combat troops. Nor was the United States aware that the actual number of Cubans in Grenada totaled more than 1,100, he said.

Aware of a Buildup

The United States was aware of some Cuban buildup in recent weeks, Admiral McDonald said.

On Oct. 6, he said, a Cuban troop transport ship "offloaded arms in St. George's Harbor."

On Oct. 24, the day before the invasion began, he said, a Cuban transport aircraft arrived in Grenada with a delegation of military personnel. He said that President Fidel Castro of Cuba "later announced that the delegation was led by Col. Totola Comas for the purpose of taking charge" of the Cubans on the island.

"Colonel Totola was sent to organize and supervise defense of the island," the admiral continued. "All Cuban personnel were ordered to improve their combat disposition."

Although Administration officials have expressed surprise at the extent of the Cuban military presence in Grenada in the days since the invasion began, there was intelligence information available months ago that officials cited at the time as evidence of a large Cuban involvement.

On March 9, for example, Nestor D. Sanchez, the Deputy Assistant Secretary of Defense for Inter-American Affairs, told a group of educators, "In Grenada, Cuban influence has reached such a high level that it can be considered a Cuban protégé."

Mr. Sanchez said, "Cuba has, for example, constructed a military camp in Grenada." After describing the facilities at the camp in detail, Mr. Sanhez said, "The camp is built to house a battalion-size unit and is being built by the Cubans." An American battalion normally consists of about 800 troops.

ASSOCIATED PRESS
28 October 1983

WASHINGTON
BY ROBERT PARRY

Cuba was tipped off to U.S. plans to invade Grenada at least 24 hours before the attack began, possibly explaining why the 1,100-man Cuban force seemed so well prepared for the assault, U.S. intelligence sources said Friday night.

Sources, who spoke on condition they not be identified, said the warning came from an "unintentional" leak from one of the Caribbean nations which joined the United States in the invasion Tuesday.

The sources refused to disclose which of the six countries leaked the information.

Although learning of the invasion plans, Cuba's President Fidel Castro did not send reinforcements to the island, but did dispatch an army colonel to direct the island defense, the sources said.

U.S. Marines and Army paratroopers who landed on Grenada in the pre-dawn hours Tuesday were surprised by the stiffer-than-expected defense mounted by the Cubans and the Grenadian army. The possibility of a leak could help explain why the defenders were able to prevent U.S. forces from obtaining their main objectives on the first day.

Meanwhile, the Navy admiral who commanded the invasion force and a White House spokesman disputed suggestions that U.S. intelligence had failed by underestimating the number of Cubans on the island by about half.

"You can't know everything," said deputy press secretary Larry Speakes, who added that there was no U.S. intelligence operation in Grenada. "You do your best."

Adm. Wesley McDonald, commander in chief of the Atlantic fleet, said, "I didn't have enough intelligence, but there wasn't an intelligence failure. ... I don't think the system failed. We just didn't have the time to focus on it."

Initial estimates put the number of Cubans on Grenada at 600, a figure that was raised to "upwards of 1,000" once the U.S.-led invasion of the island got under way early Tuesday. McDonald said the estimate was 1,100 Cubans, with more than 300 still fighting.

President Reagan said he launched the invasion at the request of six eastern Caribbean nations concerned about a bloody leftist coup on Grenada and the possibility that violence would spread to them.

U.S. intelligence hastily compiled what it could about Cuban and Grenadian military strength last week as final plans were put together for the invasion, Reagan administration sources said, but the CIA estimate proved off the mark when U.S. forces landed on the island.

U.S. officials, speaking publicly and privately, have expressed surprise at the number of Cubans on the island and the determined fight mounted by Cuban and Grenadian defenders.

STAT

CHRISTIAN SCIENCE MONITOR
21 September 1983

CIA, Pentagon disagree on Soviet arms spending

Washington

The CIA and the Defense Department disagree over whether Soviet military spending is increasing, according to a report by the Congressional Joint Economic Committee. The report was released Tuesday by Sen. William Proxmire (D) of Wisconsin, who said it raised questions about the accuracy of US assessments of Soviet military strength.

The CIA estimated Soviet military spending grew at a yearly rate of 2 percent during 1978-81, compared with an annual rate of 4 to 5 percent during the previous 10 years.

The Defense Department's Defense Intelligence Agency said there was no slowdown in Soviet military spending, and it estimated annual increases of 6 to 7 percent during the last decade, according to the report. Senator Proxmire said the CIA estimates seemed more accurate because they were adjusted for inflation and the defense agency's were not.

UNITED PRESS INTERNATIONAL
20 September 1983

WASHINGTON
SOVIET MILITARY SPENDING DATA MAY BE INFLATED
BY PATRICIA KOZA

Questionable methods of analysis by Pentagon intelligence experts may be producing inflated estimates of Soviet spending on the superpower arms race, a congressional panel indicated Tuesday.

Sen. William Proxmire, D-Wis., released a study by the Joint Economic Committee that analyzed the differences between recent estimates made by the CIA and the Pentagon's Defense Intelligence Agency.

The CIA study found that Soviet defense costs grew at an annual rate of 2 percent during 1978-81, compared to a growth rate of 4 percent to 5 percent during the previous 10 years.

The DIA study agreed with the Central Intelligence Agency's dollar cost estimates, but its own current ruble-price analytical process - which does not take inflation into account -- indicated no slowdown in total Soviet defense spending.

The DIA found that Soviet actual defense spending increased by 6 percent to 7 percent in real terms, after inflation, during the 1970s and defense procurement growth slowed somewhat, from 9-11 percent in the first half of the decade to 6-9 percent in the second half.

The Pentagon agency also concluded the share of the Soviet economy devoted to the military increased from 13 percent to 14 percent in 1970 to 14 percent to 16 percent in 1981. The CIA concluded it did not change during the decade.

Proxmire said the Pentagon agency in effect challenges the CIA estimates but in doing so, is raising more questions than it answers.

''The fact that the DIA's estimates are not adjusted for inflation reduces their usefulness to practically zero,'' Proxmire said. ''This questionable practice could result in inflating the costs of Soviet defense.

''At the very least, the DIA's methodology should be subjected to careful scrutiny by an outside group of experts so that Congress understands what weight to give it.''

The study noted the CIA rates the margin of error on its dollar cost estimates as plus or minus 10 percent. A DIA spokesman estimated the margin of error in the indirect method for measuring Soviet military procurement was plus or minus 33 percent.

The report also noted that the CIA's methodology was subjected to ''an exhaustive review'' by an outside panel.

''The latest CIA estimates are significant because they demonstrate a change in the trend of Soviet defense growth over a five-year period,'' the study said. ''The period is longer than previous cyclical fluctuations and could represent a medium- or longer-term phenomenom.''

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ON PAGE A-27

WASHINGTON POST
30 June 1983

The Oil Glut Will Continue

Hobart Rowen

The conventional wisdom in financial circles—more of a hope—is that world oil prices will stabilize around the OPEC-set price of $29 a barrel, and maybe even go up a bit if economic growth in the industrial world picks up.

Not likely, says a man who has been right all along on oil. Well before Wall Street and the CIA caught on, Prof. Eliyahu Kanovsky, of Queens College and Bar-Ilan University, an American economist who resides in Israel, predicted the oil glut, and the break in OPEC power and prices.

Those who scoffed at Kanovsky because they presumed he had an Israeli bias made a costly mistake. His factually dispassionate assessments on the oil outlook put the forecasts of highly paid and highly visible oil consultants in New York to shame.

Now, in an interview here, Kanovsky predicts that as a consequence of the little-understood but devastating Iran-Iraq war, the oil glut is going to be extended and deepened—and that can only mean a further sharp drop in oil prices. Kanovsky anticipates "an erosion" of 2 to 3 percent a year in real prices.

What's more, Kanovsky reports that American diplomats and other experts have failed to grasp the extent of the current economic crisis in Egypt, so severe that any Egyptian government must be prepared for social upheavals.

And ironically, they also do not understand that the real reason Jordan's King Hussein is unwilling to join negotiations over the West Bank is the unique and unheralded economic success in Jordan, which has enjoyed a real growth rate of 8 to 10 percent annually over the last decade.

"Hussein would be crazy to rock the boat," Kanovsky says simply.

"American policy in the Middle East has been based over the last number of years on an assumption, initiated by [Henry] Kissinger, that there were three friendly countries of importance—namely, Iran, Saudi Arabia and Egypt. Well, of course, Iran has fallen by the wayside," Kanovsky says. "But my analysis suggests that the other two are on their way."

The American fixation on the "special" U.S.-Saudi relationship, he points out, assumed "that the need for their oil would increase and that their financial assets would increase." But with the glut-induced crack in oil prices, the Saudis no longer are piling up money reserves.

In fact, Saudi Arabia will have a $20 billion balance-of-payments deficit this year, shrinking its reserve assets from $140 billion to $120 billion. This cushion will go down more, he says, as the Saudis, fearful of Iran, are forced to shovel out additional billions of dollars to the Iraqis.

Egypt is in worse shape. Despite lavish American economic and military aid, Egypt faces desperate problems, exacerbated by the drop in oil prices. Egypt's relatively small volume of oil exports (in relation to the OPEC world) was bringing the Mubarak government about $3 billion in revenue, or more than four times the total export sales of everything else, including cotton. And at the peak of the OPEC boom, Egypt was earning $3 billion annually from the wages of 1.5 million Egyptian nationals who worked in the oil fields of other exporting countries.

Come now to the Iran-Iraq war. The world glut developed even though Iran's 6-million-barrels-a-day potential and Iraq's 3.5 million daily output for the most part couldn't be marketed while the two countries were shooting at each other.

Initially, the decline in Iranian production didn't cost Khomeini much in revenue, because prices skyrocketed. But when the effects of war devastation, along with huge casualties, began to cripple the Iranian economy, Khomeini once again stepped up oil production.

Now, after three years of decline, Kanovsky reports, Iran's oil production is back up from a low point of 1.5 million barrels a day to close to 3 million. But the Iraqis, whose main pipeline to Mediterranean ports has been blocked by Syria, are left with only one outlet, a pipeline through Turkey with a capacity of merely 650,000 barrels a day.

Thus, as the war continues, Iran has successfully begun to boost its oil production and exports, while Iraq is unable to do so—and is dependent on the Saudis and Kuwaitis to keep up a flow of financial aid, estimated at $45 billion so far.

"This means that sooner or later they [Saudi Arabia and Kuwait] are going to have to raise their [own oil] production. When and if the war ends, Iraq is going to unleash its [oil production] potential. And its potential is huge—second only to that of Saudi Arabia in the Middle East. . . .

"What this suggests is that the oil glut is going to be made lengthier and possibly steeper than it would otherwise be," Kanovsky concludes.

American officials, whose plans for the Middle East have so often misfired, might be helped in their policy-making if they take the trouble to analyze the available economic facts.

THE WASHINGTON POST
27 April 1983

CBS Inquiry Faults Vi... Program

In-House Study Cites 11 'Principal Flaws'

By Tom Shales

CBS News yesterday released, with great reluctance and on orders from a U.S. district judge, a 68-page in-house report that takes the network to task for the way a CBS documentary, "The Uncounted Enemy: A Vietnam Deception," was prepared and presented early last year.

It finds 11 "principal flaws" in the program, charges it with several violations of CBS News "guidelines," and probably reveals the inner workings of a broadcast news organization in more naked detail than a network has ever done before.

Among the documentary's flaws alleged by CBS News senior executive producer Burton Benjamin, who compiled the report: failure to prove that the under-reporting of enemy troop strength in Vietnam was indeed a "conspiracy" as the documentary charged; failure to identify one participant in the documentary (former CIA analyst Sam Adams) as a "*paid* consultant"; "an imbalance in presenting the two sides of the issue"; and "the coddling of sympathetic witnesses" during the filming of interviews for the program.

In a statement released by CBS with the report, CBS News president Van Gordon Sauter calls it "a thoughtful and detailed inquiry" but says "CBS stands by the documentary and its value to those seeking a broader understanding of the Vietnam experience."

The documentary was controversial when first aired, on Jan. 23, 1982. It presented evidence, often from the mouths of the military leaders involved, that during the Vietnam war military intelligence consistently and, the report said, deliberately, underestimated enemy strength so as to support the fallacious notion that the Viet Cong were losing the war and that America could somehow win it. The charges were not new, but this was the first time military officials involved had gone on camera to support them.

While the Benjamin Report is highly critical of the way the documentary was made, it also quotes, and appears to endorse, a remark made to Benjamin by Howard Stringer, then executive producer of "CBS Reports," the unit responsible for the documentary. Stringer said, "If all the standards of fairness had been followed, it would not have changed the outcome of the broadcast."

The Benjamin Report was precipitated by TV Guide magazine, which published an attack on the documentary last May with the blazing cover headline, "Anatomy of a Smear." The article called the documentary "powerful and polished" and "ambitious" but also said it was "often arbitrary and unfair" and charged it with various journalistic infractions made in the pursuit of proving a thesis. Then, in September, Gen. William C. Westmoreland, former commander of U.S. military forces in Vietnam and one of those interviewed on the program, filed suit against CBS Inc. for $120 million on the grounds that the documentary had dishonored him.

Soon controversy surrounding a documentary about the Vietnam war, still an extremely touchy subject in itself, had escalated into what some at CBS News have characterized as an "all-out assault" on "media" in general. In coming forth to defend Westmoreland, CBS sources have said publicly and privately, his friends and supporters have found a new club with which to beat the press.

Yesterday, Westmoreland's lawyer, Dan M. Burt, president of the Capital Legal Foundation here, said he considered the Benjamin Report "devastating" and "very harmful" to CBS News. "Obviously I don't think it's a document CBS is happy to have other people have," Burt said. "I do not think this will make our case any more difficult. I think it will make it substantially easier." Burt complained that CBS had delivered the document to reporters before delivering it to him, but said his first impression was that it clearly did not "square" with an eight-page memorandum issued last July by Sauter. The memo summarized the report but declined to make its full contents public and said, "CBS News stands by this broadcast."

Last week U.S. District Court Judge Pierre N. Leval, who ruled that the report had to be made available to the court, said, "If the Benjamin Report does not say what the Sauter memorandum says it says, it could be significant proof of malice or recklessness on CBS's part in issuing Sauter's statement . . ."

"Probably, Mr. Sauter has a very serious problem," Burt said yesterday, referring to alleged disparities between the memo and the report. The report concludes that "a 'conspiracy,' given the accepted definition of the word,

CONTINUED

THE ATLANTIC MAGAZINE
April 1983

REPORTS & COMMENT

WASHINGTON

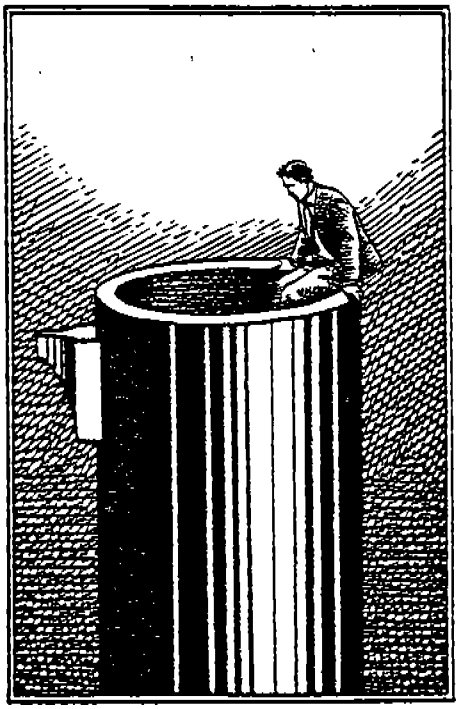
ELOQUENT STATISTICS

A new study of military and social spending details where nations are concentrating their resources

RUTH LEGER SIVARD has been publishing *World Military and Social Expenditures* since 1974, the year after she left her job as chief of the economics division of the U.S. Arms Control and Disarmament Agency. Her annual report is a riveting document with an unfortunate title; it suggests a weighty tome of arduous reading, precisely what it is not. It may, in fact, be the most effective (and least publicized) portrait we have of our imperiled planet. In a magazine-size booklet of only forty-four pages, the 1982 edition quantifies the arms race and its staggering economic consequences with a concision and clarity that even the most ardent cold warrior would find difficult to dismiss.

The numbers she presents are dismaying. An estimated 100 million people are engaged directly or indirectly in military activities: 25 million troops march in the world's armed forces, backed three-to-one by reserves, paramilitary forces, and the civilians needed to produce the weapons and services essential for their operation. An estimated one billion people live in poverty; 900 million adults remain illiterate; 600 million people are under- or unemployed. Between 1960 and 1980, the population of the developed world grew from 879 million to slightly more than one billion. The developing countries grew from 2.17 billion to 3.42 billion. During that same period, the armed forces in the developed nations decreased from 9.9 million to 9.5 million, while in the Third World the total almost doubled, to 15 million—nearly two thirds of the world's total armed forces. Arms imports of developing countries have risen even more sharply; in 1980, they came to $20 billion, three quarters of world arms trade. The poorest countries now have access to the most advanced forms of military technology.

They have access to military guidance, as well. According to Sivard, an incomplete record shows ninety-three countries and territories in which there is a foreign military presence, with at least 1,800,000 personnel involved. One quarter of the forces, she says, are on foreign ground to fight wars; the rest are abroad for such reasons as supporting governments in power, providing training, conducting nuclear tests, and establishing listening posts or bases for ships and planes. In 1981, the United States provided military training to forces from sixty developing countries, the United Kingdom to trainees from twenty-three developing countries.



ILLUSTRATIONS BY JEAN-FRANÇOIS ALLAUX

"The intrusion of military authority and influence into the political realm has been one of the fastest growing enterprises of the second half of this century," Sivard writes. Of the 113 countries she lists in the Third World, fifty-two are under military domination by their national governments. More than thirty are producing weapons, some as complex as fighter aircraft and missiles. According to Amnesty International, the U.S. State Department, and other sources cited by the author, forty-nine of the fifty-two regimes limit citizens' rights to safety under the law, "almost two-thirds of them showing a consistent pattern of extreme repression, including the use of torture . . . ." In the past twenty-two years, 112 coups have taken place in these developing nations; Bolivia led the way, with eight, followed by Ghana (five) and Argentina, Honduras, Peru, Bangladesh, Vietnam, and Benin (four each).

Sivard calculates that since 1960 more than 10 million people have died in sixty-five major wars (defined as causing more than 1,000 deaths). This, of course, is only a partial accounting. Forty-nine countries have been caught up in war since 1960, almost all of them in the Third World. In 1982 alone, new and old conflicts spilled blood in El Salvador, the Falklands, Northern Ireland, Afghanistan, Lebanon, Iran–Iraq, Ethiopia–Somalia, the Western Sahara, and Angola.

CONTINUED

THE BALTIMORE SUN
31 March 1983

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Opinion • Commentary

Tunnel Vision — II

Self-Deception, Self-Destruction

By Arnold R. Isaacs

"KNOW THYSELF," said the Greek sages, and a military adage that may be equally ancient advises: "Know your enemy."

Looking back on the American intervention in Vietnam, 10 years after it ended, it is difficult to avoid the conclusion that the U.S. military leadership in that conflict understood neither its enemy nor itself.

If American strategy was faulty because it miscalculated the pressures its enemy could withstand, the error was compounded by equally faulty evaluations of how the strategy was working. The system of reports from subordinates to higher commanders almost seemed designed to frustrate true understanding. The military historian Cecil B. Currey, writing under the pseudonym "Cincinnatus," chose the title "Self-Destruction" for his highly critical 1981 book on the Vietnam-era Army. "Self-Deception" might have been equally appropriate.

Most notoriously distorted, probably, was the "body count" of claimed enemy dead. Military commanders have exaggerated enemy casualties, as Cincinnatus pointed out, ever since Samson reported slaying a thousand foes with the jawbone of an ass. But in Vietnam, where the United States fought a war of attrition whose aim was to inflict losses that would force the Communists to quit, the body count became the *only* measure of battlefield achievement, and thus of the success and future promotion of field commanders. The result was enormous pressure at every level in the chain of command to report huge numbers of enemy deaths, whether the figures were reliable or not.

"When the higher commanders rode lower ones for better statistical results," retired Brigadier General Douglas Kinnard pointed out sardonically in his postwar study *The War Managers*, "it was evident they were going to get either the statistics or the results, and on fortunate occasions both." Of the Vietnam-era generals whom General Kinnard polled for his book, 61 per cent believed the body counts were inflated. "The immensity of the false reporting," wrote one of his respondents, "is a blot on the honor of the Army."

Body counts by South Vietnamese units, which may have been even less trustworthy than American claims, were nonetheless given a spurious credibility by being reproduced without any qualifying disclaimers in official reports distributed in the U.S. defense and foreign affairs bureaucracies and to Congress. Far from expressing skepticism, in fact, U.S. analysts increased the Vietnamese claims by 35 per cent, an arbitrary estimate of the number of Communist soldiers who were permanently disabled or died of wounds after being evacuated from the battlefields.

In 1972 this method produced an official estimate that nearly 180,000 enemy troops, or nearly half the entire Communist combat force, had been permanently put out of action. If only one man were wounded for every one killed, that would mean the whole Communist Army had become casualties. Yet despite its obvious absurdity the statistic was enshrined in the official records and no doubt contributed to Washington's rosy view of its ally's prospects at the signing of the 1973 Vietnam ceasefire agreement.

Exaggerated body counts were only one aspect of questionable reporting. "Once the high command decided what it was going to do, and the orders went down the line," says Douglas Blaufarb, a former Central Intelligence Agency official, "it was more or less understood what kind of reporting was going to come back up . . . Reporting that reflected on whether the strategy was succeeding was terribly distorted. [It] was all permeated with the assumption that the command wanted to hear good things, the way to get ahead was to serve up the good information. It was a very corrupt system, I'm afraid."

It seems fairly clear that assessments of the effectiveness of the air war, for example, were exaggerated, as were American evaluations of the South Vietnamese Army, whose sudden collapse in the spring of 1975 — due to economic hardship and material shortages and an officer corps that proved unequal to the demands put on it when the U.S. combat support ended — caught Washington policymakers completely by surprise.

In their own war, American commanders reported success without ever considering that Communist strategists might perceive the war very differently. In 1970 and 1971, when combat diminished in large areas of the country following several years of pacification efforts, the Americans looked around them and saw only encouraging signs. More villages were secure, or seemed so; more roads were open to civilian and military traffic; more peasants were seeking the greater safety of government-held zones instead of risking the bombing, shelling, defoliation and pacification raids that were regularly visited on Communist or contested areas.

To some, the relative calm looked like victory. "If successful pacification is the yardstick," declared the military affairs columnist Colonel Robert D. Heinl, Jr., "the war in Vietnam is already settled. We have won." But pacification was not the yardstick, and its apparent success was not victory. To a large extent it reflected a strategic retreat but not the surrender or disappearance of the Communist insurgency; the concept of "protracted war," in which combat was to be avoided when conditions were unfavorable, was after all at the heart of Communist strategy.

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ARTICLE APPEARED
ON PAGE 26

U.S. NEWS & WORLD REPORT
28 MARCH 1983

Interview With Gen. John Vessey, Jr., Chairman of the Joint Chiefs of Staff

Why the U.S. Must Stay in the Arms Race

America can deter the Soviets from going to war today, says the nation's top military officer. But all bets are off for tomorrow if present trends are not reversed.

Q. General Vessey, why does the Pentagon give Americans the impression that Russia produces near-perfect weapons and goes from strength to strength while the U.S. always has trouble with its weapons and is constantly plagued by problems in its defense buildup? Is the military situation really that bleak and lopsided?

A. If the picture we have painted appears that grim to the public, then we have painted it inaccurately. It's fair to say that the Soviets have got all the same problems in producing high-technology weaponry that we have—maybe more. Besides, their troops are inferior to ours.

And while we in the United States are choking on the question of whether or not to spend 6.3, 6.4 or 6.5 percent of our gross national product for defense, the Soviets are spending 15 percent of their GNP for defense. That alone has got to give them great social and economic problems—and clearly it does.

But having said that, we must also recognize that the Soviets are continuing to build an enormous military arsenal. They are building far more than they would ever need for legitimate defense—and that concerns me.

Q. Some U.S. intelligence analysts now claim that they may have overestimated the level of Soviet defense spending in recent years. Does that mean that the Soviet buildup has been exaggerated and that the U.S. can scale back its buildup accordingly?

A. You have to put that whole issue into some perspective. It is undisputed that since the early 1970s Soviet military investment has far exceeded ours. By investment, I refer to the amount that they have spent on weapons and weapons research. The cumulative difference is very large—400 to 500 billion dollars—and that has not changed.

The argument within the intelligence community, such as there is one, is simply about whether the gap is continuing to grow at the same rate as before or whether it is starting to flatten out some. It's a technical argument that has very little bearing on what we need to do in our own defense budget. We still have to contend with the power the Soviets have bought with that extra 400 to 500 billion.

EXCERPTED

ARTICLE APPEARED ON PAGE 1

LOS ANGELES TIMES
27 MARCH 1983

STAT

Andropov Assails Reagan on Missiles

President Stirs Broad Debate on Arms Superiority

By ROBERT C. TOTH,
Times Staff Writer

WASHINGTON—President Reagan, in calling for the greatest arms buildup in U.S. history, has plunged the nation into an urgent and potentially fateful debate over the relative military strength of this country and its superpower adversary, the Soviet Union.

"On balance," Reagan declared last year, "the Soviets have a definite margin of superiority." And last week, he denounced criticism of his current defense budget as "the same kind of talk that led the democracies to neglect their defenses in the 1930s and invited the tragedy of World War II."

Is it true, however, that the Soviet Union has gained military superiority over the United States? Does Moscow command a superior arsenal of strategic weapons, from continent-spanning ICBMs to nuclear-armed submarines and bombers? What about intermediate-range nuclear weapons, such as the Soviet SS-20s that can easily reach West European targets from the Soviet homeland?

'What Is Superiority?'

Has the Kremlin grown stronger than the United States and its allies in tanks, troops, artillery and other conventional forces as well? If it has, what then? What difference does "superiority" make in the atomic age? Given the undisputed vastness of American military power, would it matter if the Soviets were stronger? Is Reagan's call for heightened defense spending just a call for more "overkill?"

"What in the name of God *is* strategic superiority?" former Secretary of State Henry A. Kissinger once demanded in a moment of exhausted frustration. "What is the significance of it—politically, militarily, operationally, at these levels of numbers? What can you do with it?"

The answers to these questions are not simple or clear-cut, and they have far-reaching consequences. They involve questions of national security and survival, and they affect foreign and domestic policy issues that touch the lives of virtually all Americans.

Already, the debate touched off by Reagan's defense buildup has:

—Influenced the content and character of American foreign policy, including the shape of U.S. arms control proposals, this country's relations with its European allies and the temperature of Washington's dealings with the Kremlin.

—Rekindled conflict over defense policy between the government and a fledgling new peace movement, brought such powerful religious leaders as the U.S. Roman Catholic bishops into the fray and stimulated a nationwide campaign for a nuclear freeze.

—Intensified fears that increasingly intricate nuclear weapons systems are themselves a greater threat to peace and human survival than the Soviet forces they were built to deter.

Gone are the days when American nuclear might generally was seen as a positive force in the world.

Eugene V. Rostow, former director of the Arms Control and Disarmament Agency, said President Dwight D. Eisenhower's "nuclear hint"—implicitly threatening to use nuclear weapons—forced an end to the Korean War. And overwhelming U.S. superiority as late as 1962, when the American nuclear arsenal outnumbered the Soviets' by a ratio of 40 to 1, is credited with forcing Moscow to back down during the Cuban missile crisis.

Today, by contrast, large segments of the European and American populations take no comfort from plans for "restoring" the nuclear balance by adding to and improving the U.S. arsenal. Instead of feeling reassured, as they once did, that greater strength makes war less likely, many people now say more weapons make them feel more vulnerable.

Feelings Can't Be Ignored

This psychological element has vastly complicated the problems of developing national security policies, even though many specialists believe that it clouds the basic issues.

As Harold Brown, former President Jimmy Carter's defense secretary, said in an interview: "Reassurance is not more important than deterrence and not of equal importance, either. Reassurance comes from a steady hand in diplomacy, and no American administration in recent years has provided that. As for deterrence, you still need to look at the military balance in assessing it."

Yet policy-makers cannot ignore the way people feel, as Reagan has learned in his uphill battle over his defense budget.

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NEW YORK TIMES
19 MARCH 1985
ARTICLE APPEARED
ON PAGE A-31

Schlesinger's Wary Oil View

Special to The New York Times

WASHINGTON, March 18 — How advantageous is the oil price decline? James R. Schlesinger, the nation's first Secretary of Energy, believes it is likely to inhibit the domestic industry's ability to keep replacing the oil that is now being consumed. Moreover, he says, it may further dampen efforts to develop alternative fuels.

Mr. Schlesinger, a former top budget, defense and intelligence official as well as Energy Secretary, is now a senior adviser to Lehman Brothers Kuhn Loeb Inc. and Georgetown University's Center for Strategic and International Studies. The following are excerpts from a conversation with him this week about the new pricing and production agreement by the Organization of Petroleum Exporting Countries and other energy matters.

Q. What does the OPEC price cut to $29 a barrel mean?

A. There is a chance the agreement will hold, but the probabilities are that there will be further downward pressure on prices in the spring. If prices break, they could go down to the $22-to-$23-a-barrel range.

Q. Did OPEC bluff us into thinking it was more powerful than it really was?

A. Some of the power we presumed they had was illusion on our part. It was a rationalization for what were major trends in the oil market reinforced by two notable supply interruptions. For the most part, OPEC merely followed the market.

Q. Most people now seem to think that lower prices, while causing some problems, add up to a substantial plus. Do you agree?

A. The fundamental point is that what is useful for us in the energy market short term is likely to be costly to us in the long term. The converse is also true. There is no doubt that, if we could have a permanent reduction or one that would last for five or six years, that would be beneficial. However, if prices are merely to dip for a short time, then pop back up, the result will be a decline in efforts to develop alternative supplies and in drilling activity in the United States and other high-cost areas.

Q. You didn't mention banking.

A. I should have. This brings great pressure to bear on those banks that have extended substantial credits to oil-producing countries such as Mexico.

Q. I gather you think the decline will be temporary.

A. I think it is — if we have economic recovery. We ought not to think of the recession as a cure for our energy problems. Indeed, oil supply prospects are grimmer than five years ago.

Q. How do you quantify the relative effects of recession and increased energy efficiency?

A. At least half of the decline in oil demand is attributable to the decline in international economic activity. We should see a recovery of oil demand on the order of 4 million barrels a day. That, with an end to destocking, would increase demand from the OPEC countries from today's 14 million barrels a day back up to 23 or 24 million and this would put us back into the same position we were in the the late 1970's and early 1980's.

Q. Is this the time to impose a gasoline tax or import fee?

A. I have always been in favor of a substantial increase in gasoline taxes. This is an especially good time. The oil import fee is a less certain item; it might lead to a restoration of the entitlements program. Nonetheless, given the circumstances, we ought to provide some degree of protection for domestic oil production — we have the lowest reserve-to-production ratio amongst major countries — and such a fee would be necessary.

Q. Should we sell Alaskan oil to Japan?

We should certainly consider it. The Carter Administration made several attempts to remove the restraint on the export of oil. But we must recognize that the acceptability of that idea has declined because major investments have been made by the companies in shipping oil to the continental United States. And, of course, one will have the continued opposition of the maritime unions.

Q. What about the budget effects of the price decline?

A. It certainly has an adverse effect. It will increase the deficits. The Government is now a partner of the oil industry to a degree it has not been in the past.

Q. How well have our intelligence agencies done in energy analysis?

A. I think they were functional with regard to prospective oil supply. They were less accurate with regard to projecting demand. The Central Intelligence Agency's estimate was assuming something like full employment and continued economic growth, an assumption that apparently has been unwarranted.

Q. Is the Administration filling the strategic oil reserve fast enough?

A. No. I believe in a maximum fill rate. And right now there isn't a better argument for that than, if oil prices are temporarily dipping, we can fill at lower cost.

Q. What should be done about synthetic fuel projects?

A. The most important are those that provide fuel liquids. We ought to have the technologies in hand to produce them synthetically. At the present rate of progress, it appears those technologies will ambitiously be developed around the year 2000 instead of the year 1990. That's regrettable.

Q. What do you think of the Administration's natural gas bill?

A. The Natural Gas Policy Act of 1978 was intended to provide some subsidization of those who would go out and find new reserves. The Administration's bill would end that; all gas prices would be the same. Old gas prices would come up to something like the equilibrium level. If one believes the Administration, the new gas prices would fall. That means that the incentive to go out and find new reserves would be substantially curtailed.

Q. Didn't the Government in the 1970's mislead people by saying that we were running out of natural gas?

A. I think there was some exaggeration and I think that there was undue concern, probably, expressed on the Hill by members of Congress. But I think our estimates of gas production were very accurate.

Robert D. Hershey Jr.

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Stalin's Postwar Army Reappraised

Matthew A. Evangelista

At the end of
War II, the Soviet army was considered a major threat to the secu
Western Europe, one that could be deterred only by U.S. possession
atomic bomb. In the words of Winston Churchill, "it is indeed a melan
thought that nothing preserves Europe from an overwhelming military attack except the devastating resources of the United States in this awful weapon."[1]

The perception of Soviet conventional armies as overly large, offensively oriented, and invincibly strong was the driving force behind the formation of a Western military alliance and a major determinant in the evolution of U.S. nuclear strategy.[2] In the United States, the popular press supported the notion that a Soviet conventional invasion of Western Europe could be countered only by U.S. strategic air power and nuclear weapons. As one *Newsweek* article from 1948 described the situation:

In the great Washington debate on American defense requirements, the chief emphasis is put on knocking out Russia in any future war. The temporary overrunning of Europe by the Red Army is taken for granted.[3]

The balance of East–West conventional forces presented—175 Soviet divisions and 75 East European divisions to less than a score of Western divisions—did indeed make the prospects for a nonnuclear defense of Western Europe appear bleak.[4]

I would like to thank Randall Forsberg for encouragement and support during the preliminary stages of my research on this topic, conducted at her Institute for Defense and Disarmament Studies in Brookline, Mass. from 1980–1981. I am also grateful to David Holloway of the University of Edinburgh, Jane Sharp, Ben Miller, and Walter LaFeber of Cornell University for their helpful comments and suggestions.

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1. Winston Churchill, "The Peril in Europe," a political party broadcast, August 26, 1950, in *The Collected Works of Sir Winston Churchill* (London: Cassell, 1975), Vol. 29, p. 29.
2. For a discussion of other factors bearing on early U.S. nuclear weapons decisions, see Gregg Herken, *The Winning Weapon: The Atomic Bomb in the Cold War 1945–1950* (New York: Knopf, 1980).
3. *Newsweek*, May 10, 1948, p. 32.
4. A typical presentation is an article entitled "Russia's Edge in Men and Arms," *U.S. News and*

This study attempts to refute the common perception of an overwhelming Soviet conventional threat to Western Europe during the early postwar period by assessing the military capabilities of Stalin's army for launching a successful invasion. The analysis focuses on the period 1947–1948, which coincides with the completion of Soviet demobilization and the beginning of discussions in the West leading to the formation of the North Atlantic Treaty Organization in 1949. It seems now that the Soviet military threat was considerably exaggerated during this period. Indeed, the notion of an overwhelmingly large Soviet army facing only token Western forces was inaccurate. Moreover, it appears that Soviet troops were not capable of executing the kind of invasion feared in the West during the late 1940s, due in part to strictly military considerations, and also to the fact that many of them were engaged in nonmilitary tasks instead of in training for an offensive.

Early Estimates of Soviet Conventional Forces

As a starting point for assessing Soviet ground forces' capabilities and comparing them to those of the West during the early postwar years, one should consider the overall size of forces. This is the aspect of Soviet military power that dominated public discussion at the time, and does to a large extent today as well. Public perceptions of Soviet preponderance of ground forces divisions corresponded in general to U.S. intelligence reports of the time. For example, in 1948 the Joint Chiefs of Staff (JCS) estimated Soviet divisions at about 175, the same number that most frequently appeared in the press.[5]

Unfortunately, U.S. intelligence reports of Soviet manpower in the early postwar period did not specify whether the 175 estimated Soviet divisions were full-strength, combat-ready divisions, or whether they were only partial-strength or cadre (paper) divisions. All 175 divisions were referred to as

World Report, April 2, 1948, pp. 23–25, the first paragraph of which reads: "Russia, at this stage, is the world's No. 1 military power. Russia's armies and air forces are in a position to pour across Europe and into Asia almost at will."

5. For JCS estimates, see Joint Intelligence Committee, "Soviet Intentions and Capabilities 1949, 1956/7," December 2, 1948; Joint War Plans Committee, "'BROILER': Joint Outline War Plan for Fiscal Year 1949," December 18, 1947; "Planning Guidance for Medium-Range Emergency Plan," April 6, 1948. Nearly all of the intelligence documents cited in this essay are available either through a microfilm collection, *Records of the Joint Chiefs of Staff, Part II: 1946–1953, The Soviet Union*, ed. Paul Kesaris (Frederick, Md.: University Publications of America, 1979), or a microfiche collection, *Declassified Document Reference Service* (Arlington, Va.: Carrollton Press, U.S. Historical Documents Institute, various years).

"line divisions," with no definition of the term.[6] During the mid-1950s, the Central Intelligence Agency (CIA) in its classified reports began to describe line divisions as having about 70 percent of their average wartime strength. In 1957, a CIA estimate revealed what is now generally accepted about contemporary Soviet divisional strength—that actual manpower levels vary according to location of divisions. The report evidently went on to give more specific details, but these have been "sanitized" from the declassified version.[7]

Not until the Kennedy Administration did the public finally learn that not all Soviet divisions were full-strength and combat-ready, but even this information pertained solely to Soviet strength at that time.[8] Only recently have some observers questioned the notion that the Soviet army during the early postwar years fielded 175 full-strength divisions. Paul Nitze not long ago suggested that the breakdown at the time was on the order of one-third full strength, one-third partial strength, and one-third cadre.[9]

Despite this revelation, it is still commonly believed that the Soviet Union did not demobilize its ground forces at the end of World War II. This is not the case. The first two stages of demobilization took place during 1945, following a decree of the Supreme Soviet issued on June 23 of that year. Thirty-three classes of conscripts and 28,700 officers were demobilized. The

6. See for example JIC Report, December 2, 1948, p. 22.

7. For estimates of line division strength, see CIA National Intelligence Estimate 11-3-55, "Soviet Capabilities and Probable Soviet Courses of Action through 1960," May 17, 1955, p. 49, and NIE 11-4-57, "Main Trends in Soviet Capabilities and Policies 1957–1962," November 12, 1957, p. 29. The latter is the report with information on Soviet deployments removed. In addition, most information on Soviet nuclear weapons development has been "sanitized," along with all CIA evidence for the "bomber gap," later disproved. Regarding Soviet divisional strength, one JCS report from 1946 suggested that 68 out of an estimated 156 rifle divisions were at only 75-percent strength, but this information never made it into subsequent reports or public discussion. See JWPC 432/7, "Tentative Over-All Strategic Concept and Estimate of Initial Operations—Short Title: 'PINCHER,'" June 18, 1946, p. 22.

8. See speech of Assistant Secretary of Defense Paul Nitze to Council on World Affairs, March 2, 1963, cited in Richard J. Barnet and Marcus G. Raskin, *After 20 Years* (New York: Vintage Books, 1966), p. 4. Also see Chapter 4 in Alain C. Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961–1969* (New York: Harper and Row, 1971), pp. 117–164.

9. See Samuel F. Wells, "Sounding the Tocsin: NSC 68 and the Soviet Threat," *International Security*, Vol. 4, No. 2 (Fall 1979), pp. 116–158, and Paul Nitze's reply, "NSC 68 and the Soviet Threat Reconsidered," *International Security*, Vol. 4, No. 4 (Spring 1980), pp. 170–176, esp. p. 173. Enthoven and Smith wrote that, in the early 1960s, a "detailed review of the 175 [Soviet] divisions indicated that at least half of them were cadre divisions (that is, essentially paper units) with perhaps 10 percent of their manpower on board and far from 100 percent of their equipment." Enthoven and Smith, *How Much Is Enough?*, p. 136.

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Table 1. Soviet Manpower Strength 1948

	Early U.S. Intelligence Predictions*	Later U.S. Intelligence Estimates**	Soviet Figures***
Total	4,500,000–4,750,000	4,000,000	n/a
Navy	700,000–950,000	1,100,000	
Air Force			2,874,000
Ground Forces	3,200,000	2,500,000	
Security Troops	600,000	400,000	n/a

n/a = not available
* Joint War Plans Committee Reports, June 18, 1946; May 15, 1947.
** Joint Intelligence Committee Report, December 2, 1948.
*** Speech by Nikita Khrushchev in *Pravda*, January 15, 1960.

third stage of demobilization was carried out from May to September 1946, and the final stages completed by the beginning of 1949.[10] The Western press at the time followed these developments while playing down their significance. Contemporary Western analysts now believe that Soviet reports of the pace of postwar demobilization are by and large accurate.[11] The main problem in public perceptions of Soviet demobilization is the fact that emphasis was always placed on the still large numbers of Soviet divisions instead of on the declining numbers of troops, an issue that will receive more attention below.

There is some evidence to suggest that the extent of Soviet demobilization took the American intelligence services by surprise. Following each stage of Soviet demobilization, U.S. intelligence reports announced downward revisions in both current estimates and predictions of Soviet strength. For example, JCS reports of June 1946 predicted that the Soviet Union would retain an armed force of 4,500,000 men, including 3,200,000 in the ground forces exclusive of security troops (see Table 1): "This figure is nearly commensurate

10. *Sovetskaia Voennaia Entsiklopediia* [Soviet Military Encyclopedia] (Moscow: Voenizdat, 1976), Vol. 2, p. 351. Also see *Sovetskie vooruzhenye sily* [The Soviet armed forces] (Moscow: Voenizdat, 1978), p. 374.
11. See Thomas W. Wolfe, *Soviet Power and Europe, 1945–1970* (Baltimore, Md.: Johns Hopkins University Press, 1970), pp. 10–11. For contemporary coverage of Soviet demobilization, see Jerry S. Addington, "The Postwar Russian Army," *Field Artillery Journal*, March–April 1949, p. 81. For an example of downplaying Soviet demobilization, see *Newsweek*, March 29, 1948, p. 28. For a current example of the same, see *Time*, November 30, 1981, p. 40, in which a figure of 210 Soviet divisions is claimed for 1949.

Table 2. Soviet Division Strength 1948

	Early U.S. Intelligence Predictions*	Later U.S. Intelligence Estimates**	Contemporary Western Estimates***
Full-Strength	208	175	60
Partial-Strength	—	—	58
Cadre	—	—	57
Total	208	175	175
Occupation divisions in Europe	66	31	30
Occupation divisions available for an invasion of Europe	55	25–31	n/a
Additional divisions immediately available ("strategic reserve")	12	[12?]	n/a
Total divisions available for a surprise invasion of Europe	67	24–43	n/a

n/a = not available
* Joint War Plans Committee Report, June 18, 1946.
** Joint Intelligence Committee Report, December 2, 1948, except the figure of 25 which is from CIA Report, November 15, 1950.
*** Paul Nitze, in *International Security*, Vol. 4, No. 4 (Spring 1980), except the figure of 30 which is from Thomas W. Wolfe, *Soviet Power and Europe*, p. 39.

with immediate occupation and security requirements, and it is doubtful if further large-scale reductions in total armed forces are contemplated during the first occupation years." The report estimated that 66 divisions out of a total 208 would be employed in Europe "on occupation duties" for several years (see Table 2).[12]

By 1948 it became clear that the Soviets had demobilized considerably more troops than U.S. intelligence reports had predicted. JCS estimates of that year (see Tables 1 and 2) began to place Soviet ground forces strength at 2,500,000 (out of a total armed forces strength of 4,000,000), and the number of Soviet divisions occupying Eastern Europe and Germany at 31 out of a total of 175. In other words, the Soviets were now deploying less than half as many divisions in Europe and altogether 700,000 fewer ground troops than the JCS had earlier deemed appropriate for security needs during the

12. JWPC Report, June 18, 1946, pp. 22–23.

first years of occupation. At this time, however, the JCS no longer described Soviet troops in terms of their occupation function, but rather as offensively oriented combat forces: "They are so disposed as to provide a highly mobile and armored spearhead for an offensive in Western Europe in the event of a war."[13]

Although most observers agreed on a figure of about 30 for Soviet divisions deployed in Eastern Europe in the late 1940s,[14] the final total for postdemobilization forces remained in dispute. Nikita Khrushchev claimed in a speech before the Supreme Soviet in January 1960 that the size of the Soviet armed forces (including, presumably, the ground forces, navy, and air forces) had decreased from 11,365,000 in 1945 to 2,874,000 in 1948.[15] This latter figure is considerably less than most Western estimates of the time, which fell around 4,000,000 for total Soviet armed forces (see Table 1).[16]

Most contemporary Western observers now agree that Khrushchev's numbers were generally accurate and that overall manpower strength of the Soviet armed forces was considerably exaggerated in the West during the early postwar years.[17] The more striking point, however, is that the U.S. Joint Chiefs of Staff at first predicted that the Soviets would need these large numbers of troops simply for occupation needs. Later, when the JCS was planning Soviet invasion scenarios, they used their overinflated estimates to predict invasions that the Soviets were incapable of executing, due to the decreased manpower levels resulting from earlier demobilization. The general conclusions resulting from these early studies—that the Soviets could easily sweep across Western Europe—were never revised to account for lower estimates of Soviet divisional and manpower strength.

THE INVASION SCENARIO AND THE CENTRAL BALANCE OF FORCES

In order to consider in more detail the prospects for a successful Soviet invasion, one must understand the type of attack envisaged and the forces that would be involved on both sides. Western military officials expected that the Soviets would launch a surprise attack primarily with standing forces

13. JIC Report, December 2, 1948, p. 22.
14. Wolfe writes that this number remained fairly constant through the early 1950s, *Soviet Power and Europe*, p. 39. European military analysts, writing in the mid-1950s, expressed the same view. See, for example, *Allgemeine Schweizerische Militärzeitschrift*, December 1956, p. 928.
15. Khrushchev's speech is printed in *Pravda*, January 15, 1960.
16. See Wolfe's discussion, *Soviet Power and Europe*, pp. 10–11, esp. footnotes 3–6, where he reviews the sources of information on Soviet armed forces strength during the period.
17. Wolfe, *Soviet Power and Europe*, pp. 38–39.

in Europe (fearing that a major mobilization would spoil the surprise) and that they would employ a *blitzkrieg* strategy.

In 1947, the Joint War Plans Committee (JWPC) of the JCS described the probable attack as "developing in three thrusts, i.e., (1) across the north German plain, (2) from Thuringa [*sic*] southwest through the Lorraine Gap and thence, down the Rhone Valley, and (3) into the Danish Peninsula."[18] Soviet troops deployed in such an attack would presumably be those stationed in Germany, Austria, Poland, and the western USSR, and perhaps some transferred from occupation duty in the Balkans. The Soviets had no troops deployed in Czechoslovakia during these years (until 1968), although such deployments would have made sense for an invasion through southern Germany into France.[19]

The JCS considered the native troops of Poland and Czechoslovakia too unreliable to participate in a Soviet invasion, and expected that Soviet troops would most likely have to contend with uprisings in those countries in the event of war. With respect to Poland, for example: "The estimated 100,000 armed members of the underground would be joined by the majority of the Polish population in the event of an armed conflict between Russia and the Western Powers."[20] Another source considered the reliability of the Czechoslovak army "highly questionable."[21] The JCS made similar assessments of the armies of Bulgaria, Romania, and Hungary. It should be noted that these views were in marked contrast to the popular perceptions of the time (and of the present), which envisaged 75 fully armed satellite divisions fighting loyally alongside the Russians.[22]

The JWPC estimated that about 67 Soviet divisions would be employed in an invasion of Western Europe. This figure was derived from the assumption that Soviet postdemobilization strength would be 208 divisions, 66 of which would be deployed on occupation duty in Europe (see Table 2). The report suggested that 55 of these divisions, plus 12 divisions "in strategic reserve"

18. Joint War Plans Committee, "Strategic Study of Western and Northern Europe," May 15, 1947, p. 36.
19. JWPC, December 18, 1947, p. 71.
20. JWPC, May 15, 1947, p. 62.
21. *Brassey's Annual: The Armed Forces Yearbook* (London: William Clowes and Sons, 1951), p. 265. The JWPC Report, May 15, 1947, p. 36, expresses the same opinion in much the same words.
22. JCS 2073/7, "Intelligence Guidance for the US Representatives on the Regional Planning Groups of the North Atlantic Treaty Organization," n.d. [1949?], p. 92. For popular descriptions of the satellite divisions, see *Newsweek*, March 29, 1948, p. 28, or May 17, 1948, p. 30.

in the western USSR, would be "available for offensive operations outside the USSR within a relatively short time."[23]

Thus, 67 divisions would be available, but only on two conditions: (1) "provided some satellite divisions could be used to relieve Soviet divisions," and (2) "provided no serious disturbances occurred in occupied countries." The remaining Soviet divisions (estimated at 120), the report suggested, would "be utilized to run the complicated training and military administration within the USSR, and to perform the necessary garrison supply and security functions."[24]

Although U.S. military planners used estimates of Soviet divisions in their war scenarios and in public presentations of the Soviet military threat, these are not the relevant measure of Soviet conventional strength. The reason is that Soviet divisions are not equivalent to Western divisions. They are much smaller in manpower and lack the extensive logistical and support services of Western divisions.

Soviet division strength during the early postwar period ranged from 9,000–12,000 men, depending on type of division. A "division slice," including supporting troops, was estimated at 13,000–15,000.[25] Western division strength ranged from 16,000–18,000, while the strength of a Western division slice averaged about 40,000.[26]

Systems analysts of the Defense Department during the Kennedy Administration claimed that the support "tail" of Western divisions contributed significantly to the effectiveness of the combat "teeth," such that a Western division slice, if nearly three times larger than its Soviet counterpart, should be that much more effective as well.[27] The argument also holds for the earlier period. Thus, a relevant comparison of Soviet and Western forces should be based on manpower strength instead of division strength.

To test the plausibility of JCS war scenarios, it makes sense to translate their divisional estimates into manpower figures and compare these to the forces deployed in the West.

23. JWPC Report, June 18, 1946, p. 23. Another JWPC Report, from May 15, 1947, suggested that 58 Soviet divisions would be employed in an invasion of Western Europe.
24. JWPC Report, June 18, 1946, p. 23.
25. Joint Intelligence Staff, "Logistics Requirements of Soviet Divisions," November 4, 1946, pp. 1–6. See also Louis B. Ely, *The Red Army Today* (Harrisburg, Pa.: Military Service Publishing Co., 1949), esp. Appendix 1, "Comparison of Soviet and Western Divisions," pp. 211–219.
26. Joint Intelligence Committee, "A Comparison of Fighting Values of Russian and Allied Forces," September 21, 1948. See also Enthoven and Smith, *How Much Is Enough?*, p. 140.
27. Enthoven and Smith, *How Much Is Enough?*, p. 140.

How many men, then, would have been available for a Soviet invasion of Western Europe? If most Soviet forces in Eastern Europe were not required for occupation functions, the maximum number of divisions available throughout occupied Europe and the Balkans would be 31. In the original scenarios, the JCS estimated that 55 out of a total 66 occupation divisions would take part in an invasion, but by 1948 had revised the estimate for total divisions down to 31 without specifying how many of these would now be used in an invasion (see Table 2). CIA estimates of the time suggested an attacking force of about 25 divisions.[28]

If 25 or 30 divisions were at full complement with supporting troops, they would represent a force of about 500,000, the figure usually given for total Soviet manpower in occupied Europe.[29] If the 12 divisions in "strategic reserve" were added to this figure, assuming full strength and support, this would mean a total of 700,000–800,000 troops. It is doubtful, however, that such a strategic reserve force, if it existed, would have been at full combat strength. Even in 1955, when according to Khrushchev the Soviet armed forces were at a postwar peak in manpower, the CIA estimated "line divisions" at only 70 percent of wartime manpower complement.[30] In any case, if the Soviets did have 700,000–800,000 troops immediately available for an invasion of Western Europe, what troops were deployed in the West to oppose them?

The Western forces available to face a Soviet attack of the type described by the JCS would be those on occupation duty in Germany and Austria, plus those in the countries being invaded: Belgium, the Netherlands, Denmark, and France.[31]

The Western occupation forces on duty in Germany and Austria in 1947–1948 consisted of those of the following countries: United Kingdom (140,000),

28. CIA National Intelligence Estimate, NIE-3, "Soviet Capabilities and Intentions," November 15, 1950, p. 5. None of these documents gave more detailed information on Soviet deployments in Europe other than an overall number of divisions, without even a breakdown by country. This is even true for the document cited above, JCS 2073/7, that was supposedly intended to assist NATO regional planning.
29. See Wolfe, *Soviet Power and Europe*, p. 39.
30. See Khrushchev's speech in *Pravda*, January 15, 1960. For the CIA estimate, see NIE 11-3-55, May 17, 1955, p. 49.
31. In one 1947 JCS Report, some doubt was expressed as to the reliability of the French forces, due to the presence of Communists in the French government and Communist strength in the trade union movement. By 1948, however, with Communists no longer represented in the government, JCS reports included French forces in the Western totals without reservation. See JIC Report, December 2, 1948, p. 30, or a later JIC Report, "Most Likely Period for Initiation of Hostilities between USSR and the Western Powers," August 22, 1950, p. 25.

United States (126,000), France (80,000), Belgium (24,000), Norway (4,400), and Denmark (4,000). To these nearly 400,000 troops should be added the home armies of France (270,000), the Netherlands (108,000), Belgium (50,000), and Denmark (22,000), for a grand total of somewhat more than 800,000.[32]

In short, the tally of East–West forces appears quite different from the one commonly accepted. Part of the difference consists simply in counting soldiers instead of divisions. It has been and still is common practice, especially in the popular press, to compare only numbers of divisions in assessing the East–West balance. For the early postwar period, such a method suggested a Soviet numerical superiority of a magnitude of ten. When one considers, however, that Soviet divisional manpower has historically numbered 50 to 60 percent of Western divisional manpower, and that Soviet divisions have far fewer support troops, the picture looks different. Considering the 700,000–800,000 Soviet troops estimated by the JCS as likely to take part in an invasion of Europe, and the 800,000 Western troops available to oppose them, an image of rough parity emerges.

One may argue, however, that as the JCS overestimated the number of Soviet divisions that would be used to occupy Europe, so they may have overestimated the number that would need to remain in the interior of the Soviet Union in the event of an invasion. It is also possible to disagree with the JCS evaluation of Eastern European armies, and to suggest that they could have been employed successfully in a Soviet invasion.

Even with the addition of such a sizable contingent of forces, however, the Soviets would not have had the three-to-one numerical superiority generally considered necessary for military commanders to feel confident of the success of an invasion. They would be far from the superiority in manpower, weapons, and airpower that Soviet military writers credit with allowing the Soviet Army to drive back the Germans during World War II.[33]

Soviet Military Capabilities

Although, based on their capabilities or functions, the Western forces in early postwar Europe were not particularly suited to wage another war, the Soviet forces were even less so.[34] Soviet troops were not capable of executing the type of invasion that many Western observers expected during the early postwar period. Soviet forces were severely lacking in many important components of military capability, including transportation, equipment, and troop morale. They were not the "highly mobile and armored spearhead" of many Western popular and military writings.

Perhaps the most obvious major indication of an army's ability to execute a rapid invasion is military transport. Thus, if the Soviet army were oriented toward or capable of a *blitzkrieg* invasion of Europe during the early postwar period, this should be reflected in the transport capabilities of its forces.

One analyst of military affairs describes the Soviet transport situation during the war as follows:

32. These figures are taken primarily from JIC Report, December 2, 1948, supplemented by a major *New York Times* study published in that paper on May 12, 1947, pp. 1, 14. The estimates given here are the lowest of those found in any of the studies—higher figures are possible. For example, the *New York Times* estimated British forces stationed in Germany as high as 250,000. Not included in the figures presented here are about 100,000 French forces fighting in Indochina, another 100,000 French forces stationed in North Africa, 60,000 Dutch troops stationed in Indonesia, and 17,000 Belgian troops stationed in the Congo. See *New York Times*, p. 14. The indigenous armies of Norway and Italy are not counted in this comparison, since they would not immediately be involved in a Soviet invasion of Central Europe. Nor are the British and American forces stationed in Italy included, although in the event of an invasion, they would most likely be transferred quickly, as would indigenous forces from Britain and the United States. Even with these forces excluded, the image is not the commonly accepted one, as described in one popular article: "Military strength [in Western Europe] is almost negligible. Except for England, there is no military establishment worth the name in all Western Europe. France is without an Army." *U.S. News and World Report*, March 19, 1948, p. 12.

33. For example, in the drive from Warsaw to Berlin in the spring of 1945, Soviet sources claim an initial superiority of 5.5:1 in manpower, 7.8:1 in guns, 5.7:1 in tanks, and 17.6:1 in planes. See *Istoriia Velikoi Otechestvennoi Voiny Sovetskogo Soiuza* [History of the great patriotic war of the Soviet Union] (Moscow: Voenizdat, 1960–1963), Vol. 5, p. 57, cited in Alexander Werth, *Russia at War 1941–1945* (New York: E.P. Dutton, 1964), p. 953. German estimates are even higher—11:1 in infantry, 7:1 in tanks, and 20:1 in guns. See Albert Seaton, *The Russo–German War 1941–1945* (New York: Praeger, 1970), p. 527.

34. The notion of complete lack of coordination among the Western forces before the formation of NATO is not completely accurate. Already toward the end of 1946, the British and American military leaders in charge of the occupation of Germany were in such close collaboration that they began planning to merge their zones into "Bizonia," coordinating their political and economic policies. France added its zone in 1948. See Daniel Yergin, *Shattered Peace: The Origins of the Cold War and the National Security State* (Boston, Mass.: Houghton Mifflin, 1977), pp. 230, 333–334, 366, 370. Military coordination was proceeding as well. A National Security Council document of early 1949 instructed the American commander in Europe "to take offensive action against the USSR if the USSR attacks the forces or installations of other Western European occupying powers, even without actual attack on United States forces or installations," to "notify the Commander of the occupation forces of the United Kingdom and France of your intentions," and to "effect with them all practicable coordination measures." See NSC 39, "A Report to the National Security Council by the Secretary of Defense on Proposed Directive to the Commander in Chief, European Command, on Implementation of Emergency Plans," January 24, 1949, pp. 1–2. An NSC memorandum of the following day stressed that these coordination measures were in no way related to the Brussels Treaty or to discussions on the formation of NATO. See "Analysis of the Implications Involved in the Issuance of the Directive to CINCEUR Proposed in NSC 39," January 25, 1949, p. 3.

The quick support of tanks by infantry elements, and mobile combination between the two, was hindered by the lack of any armored carriers or other cross-country vehicles. That meant waiting until infantry brigades or divisions could be brought up in trucks—and these might be stuck far behind when the sandy roads turned into mud. . . . The mass of the army was much worse equipped. Even the volume of American supplies did not go far in making up the shortage of trucks, and most of them were needed to carry the infantry parts of the armored corps or for the rear services. The ordinary infantry divisions had to scrape along with a make-shift collection of horse transport—and little of that.[35]

In the immediate postwar years, the transport situation was no better. As late as 1950, half of the transport of the standing army was horse-drawn.[36] Horse transport was phased out by 1954–1955, but continued to be utilized in the reserves.[37] During the first five years of the postwar period, although the Soviet forces were extensively reorganized, they were still equipped with World War II materiel.[38] Such a state of affairs may have allowed the Soviets to drive back the Germans in a long war of attrition, but it indicates no serious capability for a *blitzkrieg*.

In addition to the poor state of Soviet transport equipment, the conditions of the roads and railways in the Soviet Union and Eastern Europe would certainly have hindered an invasion of Western Europe. One report of the U.S. Joint Chiefs of Staff described the state of road transportation in Eastern Europe in 1947 as follows:

Highways are in a very low state of repair. Practically all bridges of any consequence on east–west routes were destroyed during the war and are being replaced very slowly. There is little maintenance work in evidence in

35. B.H. Liddell Hart, "The Red Army: A Searching Analysis of Russian Men and Tactics," in *Ordnance*, July–August 1949, p. 27.
36. Edgar O'Ballance, *The Red Army* (London: Faber & Faber, 1964), p. 192.
37. A. Dunin, "Razvitie sukhoputnykh voisk v poslevoennyi period" [The development of the ground forces in the postwar period], in *Voenno-Istoricheskii Zhurnal* [Military–historical journal], Number 5 (May 1978), p. 33. Also, *Sovetskie vooruzhenye sily*, p. 393.
38. Wolfe, *Soviet Power and Europe*, p. 38, fn. 15. See also M. Povalii, "Development of Soviet Military Strategy," in *Voennaia Mysl'* [Military thought], Number 2 (February 1967), p. 68 (translation of the Foreign Broadcast Information Service). It should also be noted in regard to equipment that, as World War II demonstrated, Soviet weapons systems did not achieve nearly the high level of technical sophistication as their American and British counterparts. The most notable examples are in radar and radar beam technology, night fighter aircraft, and jet engine technology. See R.V. Jones, *The Wizard War: British Scientific Intelligence 1939–1945* (New York: Coward, McCann, and Georghegan, 1978).

Poland. Speeds on some of the principal roads are limited to from 10 to 15 m.p.h. because of rough surfaces and temporary bridge construction.[39]

Conditions in the Western regions of the USSR were equally bad:

At the conclusion of hostilities, the road system constituted a serious weakness in motor transport capabilities. Wartime demolition and excessively heavy use by the Germans without adequate maintenance damaged a total of 91,000 km. of main Soviet roads and destroyed 90,000 road bridges measuring 930 km. Although this damage in many places had been temporarily repaired or by-passed, a substantial volume of more permanent construction of roads and bridges is still needed to attain even the low prewar level.[40]

In the event of a Soviet invasion of Western Europe, troops in the western USSR would rely on the railway system, "the basic framework for military transportation,"[41] in order to travel to the front. During the early postwar years, they would have faced the same kind of problems as with the road transport system, due to extensive wartime destruction. From 35,000 to 65,000 km of railway track was destroyed during the war, and 80 percent of the railway bridges seriously damaged.[42]

Another major impediment to a rapid advance to the front would have been simply that Soviet and Eastern European track gauges are not the same. The Eastern European tracks are of standard European gauge (4 ft. 8 1/2 in.), whereas Soviet track is wider (5 ft.).[43] Thus, troops traveling from the western Soviet Union into Poland, for example, would have to stop at the border and transfer all of their equipment from Soviet to Polish cars before continuing the journey. As one JCS report stated, "The additional problems involved in transshipment between the Soviet Union and satellite areas resulting from gauge differences cannot be overemphasized."[44]

39. Joint Intelligence Staff, "Soviet Logistics Capabilities for Support of Iberian Campaign and Air Assault on Great Britain," March 5, 1947, p. 22.
40. Joint Intelligence Staff, "Capabilities and Intentions of the USSR in the Post-War Period," July 9, 1946, p. 34.
41. Raymond L. Garthoff, *Soviet Military Doctrine* (Santa Monica, Calif.: The Rand Corporation, 1953), p. 292. According to the JCS as well: "Movement of Soviet troops and military reserves from widely dispersed points in Western USSR and satellite countries depends primarily upon rail transportation." See JCS, "Estimate of the Over-all Effect of Air Bombing on the Industrial Capacity of the USSR on the Soviet Capability to Prosecute a Campaign in Western Europe," May 28, 1952, p. 309.
42. JIS Report, July 9, 1946, for the figure of 35,000 km and the bridge damage assessment, pp. 29–30. For the figure of 65,000 km, *Tyl Sovetskoi Armii* [The rear services of the Soviet army] (Moscow: Voenizdat, 1968), p. 274.
43. JCS Report, May 28, 1952, pp. 328–329.
44. JIC Report, December 2, 1948, p. 18.

Those problems would be further compounded by the fact that the Soviet reparations effort had entailed removal of a good deal of Eastern Germany's rails.[45] Such factors do not indicate the ability to execute a rapid invasion.

In addition to their transport problems, the very structure and equipment of postwar Soviet divisions would not have allowed for the flexibility and mobility necessary to carry out a successful *blitzkrieg*. This is due to the fact that, in achieving a high "tooth-to-tail ratio" (combat troops to support troops), Soviet divisions sacrificed important communications, reconnaissance, and logistics capabilities that Western units maintained. For example, each American artillery battalion of the late 1940s used two light airplanes for observation purposes and a radar system for locating enemy mortar. The Soviets, on the other hand, relied on the captain of a battery serving at an observation post, "seeing all he can, but seldom seeing enough."[46]

Western divisions, by utilizing more men to support their communications systems (nearly 1,500 per division compared to about 500 for the Soviets) were better able to maneuver their forces and achieve a quick massing of fire at the appropriate time and place—capabilities required by a *blitzkrieg* strategy.[47] Soviet maneuverability was hampered by the small number of personnel, relative to Western divisions, intended to handle ammunition, and the fact that Soviet divisions provided no replacements for the killed and wounded. As one contemporary observer described the consequences:

> A Red Army unit commander is likely not to have sufficient ammunition at the right place at the right time in a rapidly moving, fluid situation. . . . When [personnel] losses occur, weapons move more slowly, fire control bogs down, ammunition fails to arrive. The Russian commander seeks to overcome this through demands for superhuman exertion, but his men are not superhuman. . . . Ultimately, a division engaged for long in serious fighting must be withdrawn from the line, refilled, perhaps retrained, and restored to combat.[48]

45. In regard to the rail situation in eastern Germany, J.P. Nettl writes that, "by the end of 1946 some 5,500 km. of track had been dismantled, consisting of 1,800 km. of single or double track totally removed, and 3,700 km. of double or single track reduction. This is 29 per cent of the total system, and includes some 9,000 switches, or 35 per cent of the total. As far as track installations are concerned, dismantling was not confined to removed track, but extended to most of the central German main lines, Berlin–Leipzig, Magdeburg–Berlin, Berlin–Frankfurt/Oder and Berlin–Stettin, etc. Signalling installations, safety devices, and telephone facilities were mainly affected." See Nettl, *The Eastern Zone and Soviet Policy in Germany, 1945–50* (London: Oxford University Press, 1951), p. 185.
46. Ely, *Red Army Today*, p. 215.
47. Ibid.
48. Ibid., pp. 215–216. Another contemporary observer, British Major General J.F.C. Fuller made the following comment: "Although Russia may have from 200 to 300 divisions, it is highly improbable, should it come to war, that the Soviets could maintain more than 20 to 25 divisions on a fighting footing in Western Germany because of the inefficiency of their communications." Quoted in *Newsweek*, February 28, 1948, p. 28.

Another important consideration in assessing the effectiveness of Soviet troops for executing an invasion is morale. Stalin recognized the significance of morale in listing it as one of his five "permanently operating factors" necessary for victory in war.

If Stalin truly judged his army on the basis of morale, he had much cause for dissatisfaction with his troops on occupation duty in Europe. CIA reports of the late 1940s noted a "high rate of disaffection and desertion prevalent among present Soviet occupation forces."[49] Low morale was the product of the extremely harsh conditions under which Soviet troops were forced to live, in countries quite hostile to Soviet occupation.[50] Desertions numbered in the tens of thousands.[51] Within the USSR too there were evidently serious

49. CIA, "The Strategic Value to the USSR of the Conquest of Western Europe and the Near East (to Cairo) prior to 1950," ORE 58-48 (Appendices), October 27, 1948, p. 44.
50. One observer describes the Soviet soldiers' lot, even in the later postwar period of 1949–1952, as follows: "These years were the harshest for the ordinary conscripts and officers . . . especially those who were stationed abroad. . . . Rations normally consisted of a meat or fish soup and bread, with small quantities of coarse tobacco for cigarette and pipe smokers; canteens for enlisted men were poorly stocked, and items like tea or sugar were at this time almost impossible to obtain. During his first two years of service an enlisted man received about 95 kopecks a day, 25 cents at the official exchange rate in 1951, and no marriage allowance was payable unless he had five or more children; on top of this he was required to 'volunteer' part of his meager pay to state loans. . . . Enlisted men stationed in Europe were subjected to an exceptionally harsh code of discipline. They were permanently confined to barracks, except when marching out on duty in groups, and punishments for fraternizing with the local population ranged from demotion with short terms of imprisonment to twenty years of hard labor in Siberia." J.M. Mackintosh, *Juggernaut: A History of the Soviet Armed Forces* (London: Secker and Warburg, 1967), pp. 280–281.
51. "The wave of desertions which affected the Soviet forces in Germany and Austria in particular was unique in history for it concerned a victorious army, which did not include professional troops, in peacetime. A significant detail was that among the deserters there were many officers and a high percentage of Great Russians. It is obviously difficult to evaluate the number of desertions: the figure of 75,000 which is not impossible, has been suggested." Michel Garder, *A History of the Soviet Army* (London: Paul Mall Press, 1966), p. 129. Another historian mentions "the desertion of thousands of Red Army men in Rumania in the summer of 1944," and suggests that most Soviet soldiers deserted out of fear of returning to the USSR: "The main body of soldiers was submitted to a purge, which reached its height in 1947. Soviet troops who had been prisoners of war were treated very severely. Special attention was paid to military forces abroad, and large numbers of men were recalled for interrogation. One Soviet defector estimates that at least 20 percent of the Soviet administration in East Germany was arrested over a period of three years." R.W. Pethybridge, *A History of Postwar Russia* (New York: New American Library, 1966), pp. 28, 66. The numbers of desertions are impossible to determine accurately because so many deserters did not report to Western authorities, fearing the forced repatriation policies of Russia's allies. The scale of desertions may have some mitigating influence on the force estimates discussed in the first part of this paper, but probably not on more than

problems with morale and discipline.[52] This information suggests that, in terms of morale and reliability, the Soviet occupation forces were not likely to be the effective instruments of an all-out blitz against Europe, about which so many contemporary observers warned.

Functions and Activities of the Soviet Army

Soviet forces were employed for so many diverse functions during the early postwar period that training and preparation for an invasion of Western Europe clearly could not have been their primary activity.

Soviet military forces played a central occupation role in Eastern Europe and Germany, were agents of Soviet reparations policy, and carried out Stalin's campaign of political repression in Eastern Europe and among the national minorities in the Soviet Union. Finally, the Soviet army was a major source of labor, upon which Stalin relied for restoring the extensive damage left in the wake of the German armies. Soviet troops were engaged in activities ranging from de-activating German land mines, to working on collective farms, to rebuilding destroyed industrial facilities and apartment complexes. These largely civilian tasks are rarely taken into consideration when assessing Soviet military capability or the size of the Soviet armed forces.

Many Soviet troops in Germany were extensively engaged in occupation duties, to a much greater extent than their Western counterparts.[53] In addi-

a short-term basis. Rather, it may serve as a partial rationale for the large body of trained reserves conscripted annually in the Soviet Union during this period—a point often emphasized by those who feared a Soviet ground forces invasion. In light of the notion that the Soviet military was forced to replace as many as several thousand deserters each month during the period 1945–1948, it was quite sensible to want to replace them with fresh, young, well-indoctrinated conscripts. These would not have suffered the rigors of battle and would be less inclined to flee the continued oppression of occupation duty in hostile countries.

52. This impression is obtained by reading between the lines in the official histories of the Soviet military districts. For example, from the Kiev district history: "It was necessary to subdue demobilization moods among a certain part of the soldiers, eliminate elements of self-satisfaction and presumptuousness, convince the personnel that even in peacetime high degrees of organization, discipline, and improvement of military mastery are needed." *Istoriia krasnoznamennogo Kievskogo voennogo okruga* [History of the Red Banner Kiev Military District] (Moscow: Voenizdat, 1974), hereafter cited as *Kiev MD*, p. 303. Similar reports are found in the histories of the other military districts, for example in *Istoriia ordena Lenina Leningradskogo voennogo okruga* [History of the Order of Lenin Leningrad Military District] (Moscow: Voenizdat, 1974), hereafter cited as *Leningrad MD*, p. 454.

53. One observer, who served as Chief of the British Mission in the Soviet-occupied zone of Germany, describes their role in the following manner: "In contrast to the methods of the Western Allies, all Russian occupation control at this period rested in military hands, and no civil officials were to be seen, except for a limited number of political officers at higher headquarters, easily recognizable by their distinctive uniform. The occupational military government and administration was, in fact, carried out by entirely separate military headquarters and troops, the military governorships corresponding to the former provincial and lander [sic] divisions of the zone." Many of the staff officers serving occupation duty were either elderly or medically unfit due to having been wounded. The troops themselves were "of poor quality, indifferently clothed, and, as regards transport, at any rate, ill found in equipment." L.C. Manners-Smith, "The Soviet Army in Occupation: The Second Phase," in B.H. Liddell Hart, ed., *The Soviet Army* (London: Weidenfeld and Nicolson, 1956), pp. 190–191. The potential of these troops for combat duty was apparently not great.

tion, they played a role which had no parallel in the Western zones, by carrying out the Soviet reparations policy.

The issue of reparations was an extremely important one for the Soviets, one "on which the Soviet claims were strongest and most justified," according to Adam Ulam.[54] J.P. Nettl considered reparations "the most important reason for [Soviet] presence in Germany," and described the extent to which the Soviet Military Administration and the Red Army were obliged to assist Soviet reparations teams. At times, work was handled exclusively by untrained army personnel, resulting in considerable damage to the facilities being dismantled.[55]

Soviet soldiers carried out a "reparations policy" of sorts in Eastern Europe as well, and economic exploitation of this region served as a means of rebuilding the devastated Soviet economy.[56] The main role of Soviet military

54. Adam B. Ulam, *Expansion and Coexistence: Soviet Foreign Policy, 1917–1973* (New York: Praeger, 1974), p. 392.

55. According to Nettl, over a thousand factories were dismantled and more than 500,000 wagonloads of reparations goods were shipped from Germany to the Soviet Union by mid-1947. See *Eastern Zone and Soviet Policy*, Chapter 7, esp. pp. 200–201, 232–234, 299–305. See also Frank A. Keating, "The Soviet Army's Behaviour in Victory and Occupation: The First Phase," in Liddell Hart, *Soviet Army*, p. 185.

56. Soviet sources discuss the nonmilitary functions of Soviet troops in Eastern Europe, particularly in regard to the Rear Services or *Tyl*. Needless to say, it is their role in economic reconstruction, not exploitation, of Eastern Europe that is emphasized: "To restore the economy of European countries, liberated by our army from the German fascist occupation, which had been ravaged and plundered by Hitler's armies, the Soviet Union delivered machines, machine tools, motor vehicles, fuel and industrial raw materials. Poland received a large amount of aid, especially in the restoration of the Upper Silesian coal basin, and so did the petroleum-extracting and petroleum-processing industry of Rumania." While there may be some doubt as to the nature of the Rear Services' work in Eastern Europe, the system was certainly quite extensive. During the early postwar period, 400 *Tyl* officers were stationed in Berlin alone. They supervised "the operation of transport, telegraph stations, bath houses, laundry establishments, bakeries, water supply systems, and other public services." In addition, the *Tyl* was responsible for handling the massive shipments of grain from the Soviet Union to Czechoslovakia in 1947, following U.S. refusal of food aid, and for salvaging works of art from the Dresden and Berlin museums. See I. Bagramian, "Development of Rear Services of Soviet Armed Forces," in *Voennaia Mysl'*, Number 4 (April 1967), p. 31 (FBIS translation). On the grain shipment issue, see Yergin, *Shattered Peace*, p. 345.

force in Eastern Europe, however, seems to have been political repression. Stalin stationed his troops in those countries in which the potential for or reality of anti-Soviet activity was most evident, and did not do so in countries, such as Czechoslovakia and Finland, which he considered more reliable.[57]

Some Soviet sources acknowledge the explicitly political role of Soviet troops stationed in Europe. One such source describes in typical Soviet formulation the function of the Southern Group of forces in suppressing anti-Soviet activity in Bulgaria and Romania. Soviet troops were "entrusted with one of the most important political tasks—protecting the workers of Bulgaria and Romania from internal counter-revolution and external intervention, rendering them fraternal help in the construction of socialism." Their role in economic reconstruction, "carried out together with the population," is also stressed.[58]

Troops stationed in the western military districts of the Soviet Union during the early postwar years functioned much like Soviet occupation forces in Europe—to control hostile, anti-Soviet populations. Most estimates have set the number of Soviet troops deployed in the western USSR at 50–60 divisions, but there is no evidence that these were full-strength, combat-ready divisions.[59] The military districts in which they were most likely stationed correspond to the contemporary Baltic, Belorussian, Carpathian, Kiev, and North Caucasus districts. These five western districts represent areas populated by non-Russian nationalities: Lithuanians, Latvians, and Estonians in the Baltic district; Belorussians and Poles in the Belorussian district; Poles and Ukrainians in the Carpathian and Kiev districts; and Ukrainians, Moldavians, and others in the North Caucasus district.

Many of these national groups had strong traditions of anti-Russian sentiment and harbored irredentist claims to territories annexed by the Soviets before and during World War II.[60] Some groups had formed anti-Soviet

57. For a discussion, see Matthew A. Evangelista, "Soviet Military Capabilities and Objectives in the Early Postwar Period, 1945–1953," Occasional Paper Number 2 of the Institute for Defense and Disarmament Studies, Brookline, Mass., pp. 18–20.
58. V. Tolubko, *Nedelin* (Moscow: Molodaia Gvardiia, 1979), p. 145. This is a biography of Marshal Nedelin, the Soviet rocket specialist who served for a time as Commander of Artillery for the Southern Group of Soviet forces.
59. Wolfe, *Soviet Power and Europe*, p. 39.
60. The Baltic states had been independent from 1918 until the Soviets forcibly annexed the three countries in June and July of 1940, on the basis of the Molotov–von Ribbentrop agreements. From the late eighteenth century, Belorussia had been part of the Russian empire, and it became one of the first Soviet republics. However, some Belorussians had inhabited eastern Poland from the fourteenth century, when all of Belorussia was incorporated into the Polish–Lithuanian kingdom. The descendants of these Belorussians came under Soviet rule for the first time in 1939, when Stalin and Hitler divided Poland between themselves, and then again after the defeat of Germany.

The same is true for the Carpathian district. L'vov itself was ethnically Polish, whereas the surrounding countryside was overwhelmingly Ukrainian. In winning this region, Stalin won a potentially troublesome irredenta as well as several thousand more Ukrainian subjects.

The bulk of the Ukrainians were located in the Kiev military district. To the Russians these people presented a serious security problem. From the time of the Cossacks, Ukrainians had opposed Russian rule. During both world wars, many Ukrainians favored the Germans and formed anti-Soviet partisan groups to fight the Russian armies. See N. Galay's chapter, "The Partisan Forces," in Liddell Hart, *Soviet Army*, for a historical review of the major uprisings in western Russia from the fifteenth century through the Second World War, esp. pp. 165–168.

partisan bands during the war, and others had sided with the Germans.[61] The Soviets could only expect a similar situation in the event of another war with the West. Indeed, CIA reports from 1948 predicted mass desertions from the Soviet army and "anti-Soviet guerrilla action by Ukrainians and other Soviet peoples" in the event of war.[62]

Resistance to Soviet rule continued throughout the early postwar period. Soviet and Western sources alike mention the existence of armed, anti-Soviet groups active in the western regions of the USSR from the mid-1940s well into the 1950s. Such groups were particularly strong in the Baltics[63] and in the western regions of Belorussia and the Ukraine.[64] The Soviets relied on border guards, regular army units, and the political troops of the Ministry of Internal Affairs (MVD) to put down anti-Soviet activity.

61. During World War II, many of these groups were active deep in the rear of the Soviet armies, in territory never occupied by the Germans. In addition to the unknown numbers of these partisans, over one million Soviet citizens served in auxiliary troops directly under German command. See Galay, "Partisan Forces," pp. 167–168.
62. CIA Report, October 27, 1948, p. 39. See also the discussion of anti-Soviet guerrilla activity during World War II, p. 41.
63. Pethybridge writes: "The critical situation in western Russia after 1945 was due partly to the havoc left by the German occupation and partly to discontent among the national minorities. Disciplinary measures that were applied throughout the USSR had to be applied with particular severity in this region. After the end of hostilities the state of war was declared to be still applicable in the Baltic republics and in those western provinces of the Ukraine and the Belorussian Soviet Socialist Republics that had been under Polish sovereignty. Military courts of the Ministry of the Interior (the secret police) continued to apply criminal law in these areas. . . . Wartime dislocation and apathy or outright hatred on the part of the local population hampered the work of the party and government." *History of Postwar Russia*, p. 67. This somewhat understates anti-Soviet sentiment. Another source, citing anti-Soviet partisans, claims that in Lithuania from 1945–1952 over 100,000 Soviet MVD, NKVD, and regular army troops were killed by guerrillas. See Albertas Gerutis, ed., *Lithuania 700 Years* (New York: Manyland Books, 1969), p. 392.
64. In regard to the latter republic, Pethybridge writes that, "Armed resistance to the Soviet regime went on long after the Red Army had occupied the western Ukraine, and there were official references to fighting by underground groups as late as 1954 in the Ukraine, and well into 1956 in Lithuania." *History of Postwar Russia*, p. 67. Soviet sources claim that two predom-

A more extreme case of Stalin's political repression of non-Russian nationalities is found in the forced relocation program, by which large segments of the populations of Latvia, Lithuania, and Estonia were removed from their homes and resettled in Siberia. The program was largely carried out by military forces, particularly those of the MVD, and met with considerable resistance from the local populations. Hundreds of thousands of people were deported in a series of campaigns which lasted through the early fifties.[65]

While many of the deportees were resettled in distant Siberian towns, as many as 25 percent were sent to prison labor camps. The army participated extensively in the system of prison camps, guarding German prisoners of war, deportees, and Soviet citizens as well. In conscript labor camps, soldiers were posted in every factory. Repatriation camps for Russians returning from Germany were also heavily guarded. Thus, from the time of arrest and deportation through the internment of hundreds of thousands of prisoners, Soviet army soldiers played a central role.[66]

In order to consider the potential of Soviet troops for participating in an invasion of Europe, one must first make the improbable assumption that they would no longer be necessary to fulfill their roles of political repression and control. In fact there were many other such activities, unrelated to offensive military preparations, in which Soviet forces were engaged in the early postwar period.

One branch of the Soviet armed forces, the *Tyl* or Rear Services, has traditionally served nonmilitary purposes in peacetime, carrying out much work in the civilian sector. While no estimates for the size of the Rear Services are available for the early postwar period, contemporary estimates range from 100,000 to 400,000 troops.[67] According to Soviet sources, many of the tasks that technically fell within the purview of the *Tyl* during the early postwar years were handled by regular army troops, due to the vast quantities of work required. The most notable examples are those concerning restoration of war damage. One major task, for which the Soviet army was responsible, was the de-activation and removal of mines dispersed throughout the western regions of the USSR by the retreating German armies. All of the official Soviet histories of the western military districts discuss in some detail the extent of this work, which involved tens of thousands of soldiers and lasted until the mid-1950s. The engineer troops of the *Tyl* were nominally responsible for this work, but the volume was far too great for them to handle alone.[68]

As with the engineer troops, the construction and billeting troops of the *Tyl* were forced to rely on regular army units for assistance. Even for the rebuilding and maintenance of military facilities, their participation was required. One Soviet source reports that "the soldiers themselves often repaired barracks, built dining halls, set up military posts, camps, and sports fields."[69]

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inant Ukrainian guerrilla organizations operated until 1954: the Organization of Ukrainian Nationalists (*Organizatsiia ukrainskikh natsionalistov*, or OUN), which had been in existence since 1929; and the Ukrainian Insurrectionary Army (*Ukrainskaia povstancheskaia armiia*, or UPA), formed during the war. One Soviet source claims that "leaders of the OUN and UPA tried to set up ambushes of border guards, mine roads, blow up bridges, set Soviet office buildings afire, and commit sabotage at factories. . . . Fearing the inevitable punishment for their numerous crimes, they rarely laid down their arms voluntarily. For this reason, the struggle with them was complicated, demanded great vigilance, firmness, and courage, and took a long time." See *Pogranichnye voiska SSSR, 1945–1950: Sbornik dokumentov i materialov* [Border troops of the USSR, 1945–1950: collection of documents and materials] (Moscow: Nauka, 1975), hereafter cited as *Border Troops*, pp. 7, 19, 31, 33, 37.

65. David J. Dallin and Boris I. Nicolaevsky, *Forced Labor in Soviet Russia* (New Haven, Conn.: Yale University Press, 1947), pp. 270–272, 288. Also, Aleksandr I. Solzhenitsyn, *The Gulag Archipelago*, trans. Thomas P. Whitney (New York: Harper and Row, 1974), esp. pp. 90–92, and *Border Troops*, pp. 6–7. In Lithuania, mass deportations continued through 1951 and included about 350,000 persons—12 percent of the population. See Gerutis, *Lithuania*, p. 387. The peak year for Latvia was 1949, when wholesale deportations of urban populations as well as kulaks were carried out. See J. Rutkis, ed., *Latvia: Country and People* (Stockholm: Latvian National Foundation, 1967), pp. 260–261. JCS Reports include references to "removal of ethnic minorities" from Poland and Czechoslovakia as well. See JIS Report, July 9, 1946, p. 158. Nettl writes of mass transfers of German laborers in 1947–1948, conducted by the Soviet military administration, involving as many as 100,000 Germans during a single two-month period. See *Eastern Zone and Soviet Policy*, p. 141.

66. See Chapter 14 in Dallin and Nicolaevsky, *Forced Labor in Soviet Russia*, esp. pp. 269–274.

67. See Chapter 7 in Harriet Fast Scott and William F. Scott, *The Armed Forces of the USSR* (Boulder, Colo.: Westview Press, 1979), pp. 227–253.

68. One source reports that from 1944–1953 soldiers in Estonia and in the Leningrad, Pskov, and Novgorod regions (*oblasti*) de-mined 27,000 square kilometers of land, removing 30 million explosive devices. The Leningrad district command was obliged to call in regular army units to assist the engineer troops of the *Tyl*. During the first several years, 50,000 soldiers were assigned to de-mining work. See *Leningrad MD*, pp. 455–456. In Belorussia, military units cleared 36,000 square km of territory and 4,826 km of road. See *Krasnoznamennyi Belorusskii voennyi okrug* [The Red Banner Belorussian Military District] (Minsk, 1973), p. 480. In the Kiev district, over 300,000 square km were cleared of nearly 14 million "mines, aviation bombs, shells, and fougasses." See *Kiev MD*, p. 306. Other districts report comparable figures. See *Ordena Lenina Moskovskii voennyi okrug* [The Order of Lenin Moscow Military District] (Moscow: Voenizdat, 1971), hereafter cited as *Moscow MD*, pp. 318–319. See also *Krasnoznamennyi severo-kavkazskii: Ocherk istorii krasnoznamennogo severo-kavkazskogo voennogo okruga* [The Red Banner Northern Caucasus: An outline of the history of the Red Banner Northern Caucasus Military District] (Rostov: Rostovskoe knizhnoe izdatel'stvo, 1971), hereafter cited as *No. Caucasus MD*, p. 305.

69. Another source reveals that, although housing construction for the troops of the Baku air defense district was put under the command of a Lieutenant Colonel of the Military Construction Administration in 1947, military personnel were obliged to do much of the work themselves.

Many Soviet soldiers were engaged in activities completely unrelated to the military, let alone to preparation for offensive combat. Such is the case with the practice of *shefstvo* (literally "patronage"), which refers to the use of soldiers in civilian industry and agriculture. Although *shefstvo* had been common since the time of the revolution, some Western analysts felt that it was rendered unnecessary by Stalin's use of prison labor in the early 1950s, and was not revived until the mid-1950s when much of the prison camp system was dismantled under Khrushchev. In fact, Soviet military histories of the postwar period abound in references to the role of *shefstvo* during the years immediately following World War II. The accounts refer to the use of soldiers in construction work, as skilled labor in factories, as agricultural workers, and in disaster relief operations.[70]

The rebuilding of cities and towns destroyed by the Germans was a major task of the early postwar period: "Builders alone could not carry out the huge volume of this work. It demanded a broad call for troops as well."[71] By Soviet count, over 70,000 villages and 1,710 towns were destroyed during the war. In the Moscow district alone, troops were used in rebuilding, among others, the towns of Smolensk, Voronezh, Kalinin, Kursk, and Briansk, in addition to Moscow itself.[72]

This included construction of apartment buildings, cooking and dining facilities, and bath houses, and was not completed until 1954; the experience was considered valuable for training soldiers in civilian skills. See *Bakinskii okrug protivovozdushnoi oborony: Istoricheskii ocherk 1920–1974 gg.* [Baku Anti-air Defense District: An historical outline, 1920–1974] (Baku: Azerbaidzhanskoe gosudarstvennoe izdatel'stvo, 1974), hereafter cited as *Baku PVO*, pp. 205–206.

70. Agricultural *shefstvo* took many forms. Soldiers worked in the fields during sowing and harvesting times, local bases lent military equipment, especially trucks, to nearby collective and state farms, and military mechanics worked on farm machinery and even in tractor factories. See *No. Caucasus MD*, pp. 305–308, and *Leningrad MD*, pp. 457–459. The results suggest the extent of the work: during a 40-day period in 1948, soldiers stationed in the Ukraine threshed 8,000 tons of grain and transported another 155,000 tons. Soviet army troops were instrumental in harvesting and transporting grain during the 1947 and 1948 harvests in the Stalingrad *oblast'*. Border guards made such a substantial contribution that in several regions collective farms were named *Pogranichnik* ("Border Guard") in their honor. See *Kiev MD*, p. 307; *No. Caucasus MD*, p. 307; *Border Troops*, p. 43. For an example of Western underestimation of *shefstvo* in the Stalin period, see Roman Kolkowicz, *The Use of Soviet Military Labor in the Civilian Economy: A Study of Military "Shefstvo"* (Santa Monica, Calif.: The Rand Corporation, 1962).

71. *Leningrad MD*, p. 454.

72. *Moscow MD*, p. 319. See also *Inzhinernye voiska v boiakh za Sovetskuiu rodinu* [Engineer troops in the battles for the Soviet homeland] (Moscow: Voenizdat, 1970); and A.I. Romashko, *Voennye stroiteli na stroikakh Moskvy* [Military builders in the building of Moscow] (Moscow: Voenizdat, 1972). In the Kiev district, "troops cleared streets, restored dwelling places and cultural-community establishments, laid streetcar lines, secured the supply of electricity and water," participated in restoration of the 25 largest coal mines of the Donbass region, and installed industrial machinery in factories. "It is possible to name tens or hundreds more plants, factories, mines and pits, the restoration of which is connected with the self-sacrificing, truly heroic work of the district troops. Soldiers, non-commissioned officers [*serzhanty*], and officers denied themselves rest, and worked as much as circumstances demanded." *Kiev MD*, p. 307.

The purpose here is not to claim that these troops would be unable to fight in the event of war. Rather, it is to suggest that preparation for an offensive war against Western Europe was not the major activity for the bulk of Soviet troops. Rebuilding of the war-torn economy and control of political dissent within the USSR and bordering countries took precedence.

One branch of the Soviet military that clearly was preparing for war in the early postwar period was the PVO Strany, or Air Defense, forces. Their task was to defend the Soviet Union from atomic air attack. Discussion of the PVO troops is relevant to this analysis in that their numbers have traditionally been included by Western observers in assessing ground force strength and potential for a Soviet invasion.

Estimates of the size of the PVO forces during the postwar period have always fallen within the 500,000–600,000 range.[73] According to Western sources, half this amount consists of ground elements (and the other half of fighter–interceptor forces). They are usually counted with army manpower estimates despite the fact that the PVO has been a separate branch of the Soviet armed forces since 1948, with a status equal to that of the ground forces, air force, or navy.[74] Including the PVO ground elements in an assessment of the offensive capabilities of the Soviet ground forces is extremely misleading, since their major function consisted of operating anti-aircraft artillery in defense of important industrial and economic centers.[75] In the

73. See, for example, Garthoff, *Soviet Military Doctrine*, p. 357; Asher Lee, "Strategic Air Defense," in Asher Lee, ed., *The Soviet Air and Rocket Forces* (New York: Praeger, 1959), p. 125; *The Military Balance* (London: International Institute for Strategic Studies, various years); David R. Jones, "National Air Defense Forces," in David R. Jones, ed., *Soviet Armed Forces Review Annual* (Gulf Breeze, Fla.: Academic International Press, various years).

74. In fact, the PVO was long considered an elite branch, and its personnel were given special benefits and treatment. See Garthoff, *Soviet Military Doctrine*, p. 357, and Matthew A. Evangelista, "The Evolution of Soviet Tactical Air Forces," in David R. Jones, ed., *Soviet Armed Forces Review Annual* (Gulf Breeze, Fla.: Academic International Press, forthcoming).

75. During the Second World War, 60 to 90 percent of medium calibre and one-third to two-thirds of small calibre anti-aircraft artillery fulfilled this function exclusively (the rest being used primarily in defense of railroad junctions and troop formations). More than 40 percent of the AA batteries were assigned to the defense of three major centers: Moscow, Leningrad, and Baku. G. Zimin, "PVO Strany troops in the Great Patriotic War" (FBIS translation), in *Voennaia Mysl'*, Number 5 (May 1965), pp. 102, 105. It is possible to use anti-aircraft artillery in roles other than air defense of strategic objectives. I am grateful to Ben Miller for pointing out that the Germans used anti-aircraft artillery for direct-fire roles in support of their ground forces during World War II. During the first months after the invasion of the Soviet Union in June 1941, Soviet front commanders also used PVO forces for nonstrategic roles, such as air defense

event of a Soviet invasion of Western Europe, it is hardly likely that these forces would have been diverted from their roles of strategic air defense, especially considering the Western preponderance of air power.[76]

Evaluations of the Soviet Conventional Threat

This essay has attempted to demonstrate that Stalin's postwar army was not capable of a successful *blitzkrieg* invasion of Western Europe during the period preceding the formation of NATO. The argument has been based on a numerical comparison of available Soviet and Western forces and a consideration of the type of invasion expected by U.S. military planners, as well as on an analysis of Soviet military capabilities and nonmilitary functions.

Although the conclusions of this paper are in contrast to the prevailing wisdom concerning the postwar Soviet army, they are consistent with many early postwar intelligence reports regarding Soviet military capabilities and intentions. One such report, from November 1945, enumerated the Soviet Union's "important weaknesses which seriously limit her military capabilities," and estimated "the time required to remedy them to a degree sufficient to make the USSR willing to risk a major armed conflict":

a. War losses in manpower and industry and the set-back in a far from fully developed industry. (15 years)
b. Lack of technicians. (5–10 years)
c. Lack of a Strategic Air Force. (5–10 years)
d. Lack of a modern navy. (15–20 years for a war involving major naval operations)
e. Poor condition of railway and military transportation systems and equipment. (10 years)

of their troops and sometimes anti-tank defense, leaving defense of strategic centers as a secondary concern. Stalin responded in November 1941 by putting all ground elements of the PVO under the command of a central PVO administration in order to preserve their role in strategic defense. Even during the last year of the war, when some ground and air elements of the PVO were used in offensive operations, the main task of the PVO remained air defense of the large centers. See Zimin, "PVO Strany troops," p. 110, and *Voiska PVO strany v Velikoi Otechestvennoi voine, 1941–1945* [Troops of the PVO Strany in the Great Patriotic War] (Moscow: Voenizdat, 1981), p. 264.

76. For U.S. plans for strategic air retaliation against the USSR, see Part II of Herken, *Winning Weapon*. Some observers felt that Western air power provided considerable defense capability against a possible Soviet invasion as well. This was the opinion of several Chiefs of the British Air Staff, one of whom declared, "I cannot believe that 500,000, 1,000,000, or even 2,000,000 men could advance without being stopped by the power of the Royal Air Force, backed by the power of the American Air Force." Quoted by Liddell Hart, "The Red Army," p. 28.

f. Vulnerability of Soviet oil, rail and vital industrial centers to long-range bombers.
g. Lack of atomic bomb. (5–10 years, possibly less)
h. Resistance in occupied countries. (5 years or less)
i. Quantitative military weakness in the Far East—especially naval. (15–20 years)

The report concluded that the Soviets would be unlikely to risk a major war for at least fifteen years.[77]

Similar assessments of the likelihood of a Soviet-initiated war were made by the CIA well into 1949 and were supported by reports from foreign observers.[78] Subsequently, estimates by the CIA and other U.S. intelligence agencies exaggerated Soviet capabilities and intentions to such a great extent that it is surprising that anyone took them seriously.[79]

77. Joint Intelligence Staff, "Soviet Capabilities," November 9, 1945, Appendix C.
78. In an untitled report from August 1946, the CIA mentioned a personal communication between Marshal Zhukov and Viacheslav Molotov, somehow obtained, in which the former insisted that his armies were unprepared to fight a war. A CIA report of 1948 suggested several reasons why the Soviets would not initiate a war, including, "The resulting global conflict would place the entire Soviet system at stake in a war to the finish at a time when the USSR is inferior to the West in potential military power." The report also mentioned the risk of engendering popular discontent at home and creating internal security problems. See ORE 58-48, October 27, 1948, p. 39. In a report from 1949, the CIA stated, "There is no conclusive evidence of Soviet preparation for direct military aggression during 1949," and "A deliberate Soviet resort to direct military action against the West during 1949 is improbable." See ORE 46-49, "The Possibility of Direct Soviet Military Action during 1949," May 3, 1949, p. 1. Following a trip to the USSR in 1947, British Field Marshal Montgomery made these remarks in a letter to General Eisenhower: "The Soviet Union is very, very tired. Devastation in Russia is appalling and the country is in no fit state to go to war. . . . It will be 15 to 20 years before Russia will be able to remedy her various defects and be in a position to fight a major world war with a good chance of success." Letter dated February 1, 1947, p. 3. According to Milovan Djilas, Stalin also expected that the Soviet Union would not be involved in another war for 15 to 20 years. See his *Conversations with Stalin*, trans. Michael B. Petrovich (New York: Harcourt, Brace & World, 1962), pp. 114–115.
79. While the CIA claimed in 1948 that the West was militarily superior to the USSR, and in 1948 and 1949 that the Soviets would not deliberately provoke a war and were "likely to exercise some care to avoid an unintended outbreak of hostilities with the United States" (CIA Report, May 3, 1949, p. 1), in 1950 the agency made the following assessment: "In the belief that their object cannot be fully attained without a general war with the Western Powers, the Soviet rulers may deliberately provoke such a war at the time when in their opinions the relative strength of the USSR is at its maximum. It is estimated that such a period will exist from now through 1954. . . . From the point of view of military forces and economic potential, the Soviet Union is in a position to conduct a general war now . . . if the Soviet rulers should consider it desirable or expedient to do so." A *partial* list of the operations the Soviets would undertake "simultaneously" followed later in the report: "(1) A campaign against Western Europe including Italy, (2) An aerial bombardment against the British Isles, (3) Campaigns against the Near and Middle East including Greece and Turkey, (4) Campaigns in the Far East, (5) Attacks against Canada and the United States, including Alaska and the Aleutians, (6) A sea and air offensive against Anglo-American sea communications. . . ." CIA National Intelligence Estimate, NIE-3, "Soviet Capabilities and Intentions," November 15, 1950, pp. 1–2, 66.

One may well ask how Soviet conventional forces could have been so exaggerated during the early postwar period. Why were divisional figures used instead of manpower figures, when the latter would have made for more relevant comparisons?[80] Why were the striking weaknesses in Soviet military capabilities—in transport, communications, and logistics—never discussed, and the extensive role of the military in postwar reconstruction and in political control of Eastern Europe ignored? It is difficult to avoid the impression that many in the West intentionally exaggerated the Soviet conventional threat to Europe, for a number of reasons.

In order to gain U.S. congressional and popular support for the NATO alliance, the State Department and the military emphasized NATO's role as a counter to a potential Soviet military offensive, although according to U.S. intelligence documents, such an event was unlikely in the near future.[81] In addition, Soviet-supported political actions, such as the communist coup in Czechoslovakia, were described as if they were no different from outright military aggression and indicative of Soviet military intentions.[82] It seems

80. Part of the reason the CIA relied primarily on divisional estimates instead of overall manpower estimates is that the former were more dependable. Although it is never easy to obtain information concerning CIA research methodologies, recently declassified reports offer some hints regarding the agency's estimates of Soviet manpower. It seems that the number of 175 Soviet divisions was derived from Soviet tables of organization and equipment (TO&E) and was considered reliable. Estimates of number of men per division were evidently less so, considering that they were constantly revised downward from the mid-1950s until the present interpretation of three classes of divisional readiness was agreed upon. Unfortunately, there was no attempt made by intelligence analysts to reveal the tentative nature of some of these estimates, and all were consequently accepted as equally reliable. See CIA Special Intelligence Estimate Number 11-6-60, "Strength of the Armed Forces of the USSR," May 3, 1960, pp. 1–2.

81. See Ambassador George F. Kennan's discussion in a telegram sent from Moscow in 1952 and reprinted in his *Memoirs, 1950–1963* (Boston, Mass.: Little, Brown, 1972), pp. 327–351. Kennan gives this reason for the formation of NATO: "Large numbers of people, both in Western Europe and in the United States, were incapable of understanding the Russian technique of penetration and 'partial war' or of thinking in terms of this technique. They were capable of thinking about international developments only in the old-fashioned terms of full-fledged war or full-fledged peace. It was inconceivable to them that there could be real and serious threats to the independence of their countries that did not come to them in the form of foreign armies marching across frontiers; and it was natural that in undertaking to combat what they conceived to be a foreign threat they should have turned to the old-fashioned and familiar expedient of military alliance." See pp. 333–334.

82. Not only Americans were prone to confuse, deliberately or not, Soviet political threats for military ones. Winston Churchill best expressed this confusion over the Communist coup in Czechoslovakia in a speech at the Massachusetts Institute of Technology in March of 1949: "I must not conceal from you tonight the truth as I see it. It is certain that Europe would have been Communized like Czechoslovakia, and London under bombardment some time ago but for the deterrent of the atomic bomb in the hands of the United States." If Churchill feared that Europe would be "Communized" by Soviet-backed coups, as in Czechoslovakia, then the deterrent effect of the U.S. atomic bomb would be negligible, since it had failed to prevent the coup in Prague. If, on the other hand, the Soviet threat was of a military nature, one that would include "London under bombardment," then there is no sense in using the case of Czechoslovakia as an analogy. Churchill's speed is reprinted in *His Complete Speeches, 1897–1963* (London: Chelsea House, 1974), Vol. 7, p. 50. It is certainly true in any case that the Czechoslovak coup gave special impetus to the move to form an anti-Soviet alliance. See Claude Delmas, *L'O.T.A.N.* (Paris: Presses Universitaires de France, 1969), pp. 18–21. For further discussion, see Evangelista, "Soviet Military Capabilities and Objectives," pp. 3–8.

clear that most American proponents of NATO actually valued it primarily as a way of solidifying America's political commitment to Western Europe, but felt that NATO could be better sold by emphasizing its military necessity, with constant reference to the Soviet conventional threat.[83]

Elements of the U.S. military, particularly the proponents of strategic air power and a 70-group Air Force, found it desirable to exaggerate the Soviet conventional threat, because this left American atomic weapons as the only alternative to Soviet ground forces. In 1949, Air Force Chief of Staff Hoyt S. Vandenburg expressed this early version of nuclear deterrence of conventional threats in the following manner:

> A prime objective of this country must be to find a counterbalance to the potential enemy's masses of ground troops other than equal masses of American and Allied ground troops. No such balancing factor exists other than strategic bombing, including atomic bombs.[84]

In the late 1940s and early 1950s, most Americans were unwilling to support a conventional defense of Western Europe because their military leaders presented the prospects as hopeless. As Enthoven and Smith wrote much later,

> In a perverse sense it is rather comforting to be outnumbered 5 to 1 [in conventional forces] by your enemy, because then there is no point in making the effort to deploy your forces in the right place, or to ensure that your forces are ready, or to insist on proper training standards. If, however, the opposing force numbers are approximately equal, these factors become more important. We have more incentive for making sure that our forces are ready, well trained, and well equipped.[85]

The U.S. military gave the American people no incentive to favor improving conventional forces for Europe's defense during the 1940s and 1950s. Stra-

83. See Walter LaFeber, *America, Russia, and the Cold War 1945–1975* (New York: John Wiley and Sons, 1976), pp. 83–87. See also Barnet and Raskin, *After 20 Years*, esp. Chapter 1.

84. U.S., Congress, House, Committee on Armed Services, *Hearings on National Defense Program* (Washington, D.C.: U.S. Government Printing Office, n.d.), Vol. 1, pp. 454–456. See also Herken, *Winning Weapon*, pp. 291–293.

85. Enthoven and Smith, *How Much Is Enough?*, p. 141.

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tegic air power with atomic weapons was proposed as the solution to American security problems, and the popular press and the public generally supported the policy and the assumptions about Soviet conventional superiority that led to it.[86]

The evidence provided here, however, indicates that these assumptions were unfounded and consequently that American security policy, in the late 1940s at least, was based on an illusory conception of the Soviet threat. It is interesting to note in this context that recurrently over the last two decades analysts attempting to appraise the NATO–Warsaw Pact conventional balance have argued that NATO is in much better shape than is commonly believed. During the early 1960s, for example, the Defense Department reexamined the European balance and concluded that NATO was *not* hopelessly outmanned and outgunned in Central Europe; this analysis contributed to the adoption of NATO's new policy of "flexible response."[87]

During the 1970s, some analysts again presented evidence to support the notion of NATO–Warsaw Pact parity in conventional forces, based primarily on the introduction into Western forces of sophisticated precision-guided munitions, particularly anti-tank weapons.[88] More recently, several analyses have found the prospects quite good for conventional deterrence in Europe and favor less reliance on nuclear weapons in NATO military policy.[89]

Such analyses hint at the possibility that the exaggeration of Soviet military power has continued down to the present day. Could it be possible that the

86. See John Lewis Gaddis, *Strategies of Containment* (New York: Oxford University Press, 1982), pp. 121–122, 147–150. See also David Alan Rosenberg, "'A Smoking Radiating Ruin at the End of Two Hours': Documents on American Plans for Nuclear War with the Soviet Union, 1954–55," *International Security*, Vol. 6, No. 3 (Winter 1981–1982), pp. 3–38.

87. At the same time, however, the number of U.S. tactical nuclear weapons in Europe increased by 60 percent. See Gaddis, *Strategies of Containment*, pp. 220–221. Also Chapter 4 in Enthoven and Smith, *How Much Is Enough?*

88. For example, John J. Mearsheimer, "Precision-guided Munitions and Conventional Deterrence," *Survival*, March–April 1979, pp. 68–76; Phillip A. Karber, "The Soviet Anti-Tank Debate," *Survival*, May–June 1976; and Karber, *The Impact of New Conventional Technologies on Military Doctrine and Organization in the Warsaw Pact*, Adelphi Paper, Number 144 (London: International Institute for Strategic Studies, 1978).

89. John J. Mearsheimer, "Maneuver, Mobile Defense, and the NATO Central Front," *International Security*, Vol. 6, No. 3 (Winter 1981/1982), pp. 104–122; and Mearsheimer, "Why the Soviets Can't Win Quickly in Central Europe," *International Security*, Vol. 7, No. 1 (Summer 1982), pp. 3–39. Mearsheimer's work was discussed in a series of articles by Tom Wicker in *The New York Times* in April 1982. See also Jane Sharp, "Nuclear Weapons and Alliance Cohesion," *The Bulletin of the Atomic Scientists*, June 1982; McGeorge Bundy, George F. Kennan, Robert S. McNamara, and Gerard Smith, "Nuclear Weapons and the Atlantic Alliance," *Foreign Affairs*, Vol. 60, No. 4 (Spring 1982) pp. 753–768.

current conventional wisdom about Soviet superiority in Europe is the legacy of the original overestimation of the Red Army in the late 1940s? Given the extent to which powerfully formed impressions can persist, it seems plausible that the origins of our views of Soviet military power in Europe today can be traced to the misconceptions of the early postwar period. And whatever the truth about the balance today, the evidence now available shows that in the late 1940s the "Red Juggernaut" was anything but.

Uncertainties for the Soviet War Planner

Benjamin S. Lambeth

During the years when American strategic superiority overshadowed Soviet power, most Western observers tended to dismiss Soviet military doctrine as an anachronism. Its stress on such themes as preemption and victory, given the incapacity of Soviet forces to lend them credibility, was generally interpreted as little more than routine military incantation. The true measure of Soviet strength was felt to lie in such observables as the Soviet backdown during the Cuban Missile Crisis and Moscow's indisposition to challenge the United States to a race for strategic preeminence immediately thereafter. Under these circumstances, the bombast of Soviet pronouncements tended to resonate with hollow tones. Aside from occasional voices urging a more concerned view of Soviet ambitions, the consensus held that the Soviets had finally come to recognize their place in the nuclear relationship and could be counted on to conduct themselves with circumspection.

Since that time, the pendulum of U.S. assessments has swung from complacency to near-alarm as a result of the steady gains in Soviet force modernization over the past 15 years. Although Soviet doctrine itself has remained largely unchanged since the 1960s, the force posture has moved toward such close congruence with that doctrine that many commentators are now convinced that the Soviet leaders actually believe they are within reach of being able to fight and win a nuclear war. This image of Soviet robustness has fostered growing concern that the Soviet leaders may see a lucrative connection between their achievement of parity and their potential for assertive behavior at the expense of the West. A prominent journalist not normally given to brooding over the Soviet threat, for example, voiced concern well over a year before the invasion of Afghanistan that the Soviets might eventually "talk themselves into the most dangerous of all positions: the self-intoxicating position of believing that they can get away with anything."[1]

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1. Joseph Kraft, "Russia's Winning Streak," *The Washington Post*, May 4, 1978.

In principle, such concern over Soviet military programs and conduct is both proper and long overdue. At the same time, we must take care not to overdramatize Soviet prowess. Not only would an exaggerated image of Soviet strength engender needless Western paralysis in the face of Soviet misbehavior, it would also undermine acceptance by the American public of the argument that feasible improvements in the U.S. defense posture will make a difference; without public support, essential improvements will be impossible. Furthermore, such an image would be contradicted by long-standing evidence of Soviet leadership conservatism and risk-aversion.

In isolation from political context, Soviet doctrinal rhetoric projects a stark image of singularity of purpose. On closer examination, however, the message transmitted by this rhetoric is not quite as threatening as it first sounds. For one thing, Soviet leaders view the world just as darkly as Americans do. Having never fought a nuclear war and thus lacking any experience at it, they appreciate that strategic planning operates in a realm of vast obscurity. Moreover, although Soviet forces and concepts reflect an undeniable combat orientation, their principal purpose remains deterrence rather than war. The fact that, through tradition and preference, the Soviets have sought security in hedges against failures of deterrence rather than in stability through "mutual assured destruction" in no way bespeaks any underlying disposition to put those hedges to the test.

Most assessments of Soviet capability emphasize elements that contribute to Soviet strength. By contrast, vulnerability analysis remains undeveloped in strategic research.[2] This essay aims to provide an exploratory venture in the latter direction. It seeks to illuminate some of the unknowns, uncertainties, and doubts that would be likely to temper Soviet incentives to use force in any confrontation laden with risks of nuclear war. Some of these concerns find occasional expression in Soviet military writings. Others are observable in characteristic modes of Soviet crisis behavior. Their net effect is to portray an adversary less assured of its combat virtuosity than a superficial review of its doctrine and forces might suggest. These sources of anxiety and doubt in Soviet planning are the focus of the following discussion. Its objective is to explore a variety of factors conducive to Soviet strategic nervousness that place the more strident refrains of Soviet doctrine in a less distressing light.

2. See, however, Major General Jasper A. Welch, Jr., USAF, "The Role of Vulnerability Analysis in Military Planning for Deterrence and Defense of Invasion Threats to NATO" (unpublished paper, June 1976).

ST. LOUIS POST-DISPATCH
12 MARCH 1983

How Much Do The Russians Spend?

For years, hard-liners have quoted as gospel the CIA's annual estimates to prove that Moscow is devoting twice as much of its GNP to the military as does the U.S. and that the real growth rate of the Soviet arms budget is 3 to 4 percent a year.

These estimates have always been controversial and they are bound to get more so in the wake of reports that the CIA is now re-estimating *downward* its earlier figures on Soviet military spending. The agency now says that, given new data on the number of different Soviet weapons, it appears that Moscow's annual rate of growth may be only half of what was earlier estimated. Other military analysts argue that Soviet military spending is as high as ever, but that Moscow is getting less for its money.

The CIA's methodology on this issue has always been suspect. Because the U.S. and Soviet economic systems are so radically different, the CIA has been forced to use an indirect method. In short, the CIA estimates what it would cost in U.S. dollars to reproduce the Soviet military, lock, stock and barrel.

The weakness of that approach is evident. High U.S. labor costs alone could inflate the weapon production cost estimates by billions of dollars and the Soviets' notoriously incompetent bureaucracy could squander billions more.

If the Soviets attempted the reverse — calculating in rubles what it would cost them to duplicate the U.S. military — the estimate would be in the trillions, since Moscow doesn't have the high-tech industrial base to produce many of the new U.S. weapons.

There is a strategic planning value in having regular estimates of what it costs the Soviet Union to maintain its large military, but past and present CIA methodologies are inadequate. A flawed estimate is as bad as no estimate.

PROVIDENCE JOURNAL (R.I.)
11 March 1983

Soviet arms spending lead? Not really

Franklyn Holzman

MEDFORD, Mass. — Like the supposed bomber gap of the 1950's and missile gap of the 1960's, the American-Soviet military-spending gap turns out to be more fiction than fact.

In his first State of the Union Address, in 1981, President Reagan called for an increase in defense spending because, he said, over the preceding decade the Soviet Union had outspent us by hundreds of billions of dollars. The Central Intelligence Agency's last official estimate of the military-spending gap was $420 billion, for 1971 to 1980.

CIA specialists, it was disclosed last week, have reduced their estimate of the growth of Soviet military spending since 1976 from 3 percent to no more than 2 percent a year. This (still unofficial) estimate may be important if it reflects a changing Soviet attitude toward the arms race. But it will result in no more than a $20 billion reduction in the CIA estimate of the past military-spending gap. There remain three further reasons why the size of that gap is seriously overestimated and grossly misrepresents the true state of the arms race.

First, much of the gap results from the fact that in order to compare Soviet and United States military expenditures, Washington values Moscow's expenditures in dollar prices. That makes as much sense as measuring American expenditures in ruble prices. Relatively speaking, wages are much higher in America than in the Soviet Union whereas machinery and equipment, especially high-tech weapons, are many times more expensive in the Soviet Union than in America. Thus, dollar prices cause, in the CIA's words, "an overstatement of Soviet defense activities relative to those of the United States."

In CIA estimates, the Soviet Union's 4.3 million-man army is valued at American pay-and-upkeep scales that average about $20,000 a person. The exaggeration of this procedure was highlighted by an unofficial CIA valuation in dollars of China's military establishment with its even much larger army. The bizarre result: China's defense expenditures equaled ours!

On the other hand, a comparison in ruble prices would overvalue American defense spending because low Soviet pay scales would downplay the much larger Soviet Army, whereas American high-tech hardware would be exaggerated by valuing it in ruble prices that William E. Colby, former director of central intelligence, called "uncountably high." Statisticians faced with divergent valuations of this sort take averages of the ruble and dollar comparisons; the CIA uses this procedure in its nonmilitary-spending comparisons. Applying this procedure to American and Soviet defense spending would reduce the 1971-1980 gap by at least $100 billion.

Second, the major reason why America's military expenditures exceeded the Soviet Union's before 1972 was that so much of our spending was directed not at the Soviet Union but at Vietnam. The Pentagon subtracts this spending from our total in its American-Soviet comparisons. Correspondingly, a proper evaluation of the Soviet threat should account for the fact that at least since 1970 about 20 percent of Soviet defense expenditures have supported nearly a million-man army on the China-Soviet border, according to CIA and Defense Department estimates. These troops are not a threat to this country and the outlays to support them are not available to build tanks, planes and missiles to be used against us. Subtracting most of these expenditures from the CIA's estimate of Soviet defense expenditures reduces them by $250 billion more.

Third, CIA concentration on the comparison of American and Soviet defense spending neglects the fact that our North Atlantic Treaty Organization allies, who comprise most of the other major industrial powers in the world, outspend the Soviet Union's Eastern Europe allies by more than 5 to 1. This difference has been so large that the gap of $420 billion in Moscow's favor becomes converted to a total East-West gap of about $300 billion in our favor, according to the Pentagon, despite the fact that measurement in dollars exaggerates Eastern defense spending. Correcting for this dollar exaggeration and factoring out Soviet expenditures on China increases the West's spending advantage over the past decade to at least $600 billion.

The implication for those who believe that the Soviet bloc is catching up in military power is that, if it is, its gains cannot be attributed to greater military expenditures. Either the bloc is not catching up as rapidly as some contend, or, if it is, America's and the rest of NATO's huge expenditures are being squandered unwisely and ineffectively. The West can ill afford to continue such a course. Throwing more money at defense will only impede needed military-spending reforms and may even be unnecessary for our defense.

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Franklyn D. Holzman, professor of economics at Tufts University and a fellow at the Russian Research Center at Harvard University, is author of "Financial Checks on Soviet Defense Expenditures."

ARTICLE APPEARED ON PAGE I-7

LOS ANGELES TIMES
10 MARCH 1983

Weinberger, Seeking Support for [redacted] Budget, Warns of Soviet Arms Challenge

By DAVID WOOD, *Times Staff Writer*

WASHINGTON—In an effort to bolster public support for the Pentagon's proposed $238.6-billion budget, Defense Secretary Caspar W. Weinberger declared Wednesday that the relentless growth of the Soviet Union's military power is designed to dominate the world but that the United States "will meet any challenge (the Soviets) pose."

Associated Press
Caspar W. Weinberger

Weinberger, releasing a new Defense Department book on the Soviet arms buildup, said that if the Administration's five-year, $1.8-trillion arms modernization effort is allowed to stagnate, the United States will have to settle for permanent nuclear inferiority and thus be subject to nuclear blackmail by the Soviet Union.

Speaking to reporters in the Pentagon and, by satellite, to reporters gathered at North Atlantic Treaty Organization headquarters in Brussels, Weinberger also indicated that the Administration is not likely to offer new proposals to break the present deadlock in U.S.-Soviet negotiations on deployment of intermediate-range nuclear weapons in Europe.

Weinberger said the Administration's zero-option proposal—which calls for canceling the planned deployment of 572 intermediate-range U.S. nuclear missiles in Western Europe in exchange for the dismantling of similar Soviet missiles—is the "best possible one." Any interim agreement short of that, such as has been suggested by the West Germans and the British, would destroy any incentive for the Soviet Union to agree to abolish all ground-launched intermediate-range missiles, he asserted.

In the last few weeks alone, the Soviet Union has deployed more of its triple-warhead SS-20 intermediate-range missiles, bringing the total number to 351, Weinberger said.

The Administration's arms buildup is an effort to achieve "a margin of safety, not superiority," he said. "Our preferred objective is arms reduction, not arms buildup." But he said that the United States is prepared to meet any Soviet challenge.

'A Real Incentive,' Reagan Says

The Pentagon's book—a 107-page second edition of a study, "Soviet Military Power," first issued in September, 1981—is a compendium of recently declassified intelligence data on Soviet military hardware and strategy.

The Soviet Union intends "to undergird the step-by-step extension of Soviet influence and control" not only by military force but "by instilling fear and promoting paralysis, by sapping the vitality of collective security arrangements, by subversion, by coercive political actions of every genre," the book states.

Such challenges can only be met, it argues, by strengthening American "military sinew and national resolve."

President Reagan, in a statement issued just before Weinberger's news conference, said that demonstrating such resolve will "not only deter aggression, but will also offer the Soviets a real incentive" to accept mutual arms-reduction agreements.

In Moscow, the official Soviet news agency Tass called the book a "mass of doctored data . . . full of shamelessly manipulated facts and groundless contentions about the military lag of the United States."

White House Request?

Tass said that Reagan, faced with a costly arms race during a recession, is taking actions aimed at "scaring and confusing the American public. . . ."

Publication of the book was timed to coincide with the congressional debate over the defense budget. The Senate Budget Committee put off Wednesday until next week a crucial vote setting the upper limits of defense spending for fiscal 1984.

Committee sources who requested anonymity said the delay was taken at the request of the White House, which feared that Chairman Pete V. Domenici (R-N.M.) would accede to demands for a limit of 5% growth after adjustment for inflation in the defense budget, rather than the roughly 10% figure the Administration has requested.

Although U.S. intelligence officials have acknowledged that the United States overestimated the growth rate of Soviet military spending from 1976 to 1981—putting it at 3% instead of 2% in each of the five years—Weinberger and other defense officials have asserted that overall Soviet military spending, and deployment of new weapons, has far outstripped U.S. efforts.

The assessment of Soviet military strength in the new book was a joint product of the Defense Intelligence Agency and the Central Intelligence Agency, and it has the backing of the entire U.S. intelligence community, according to intelligence officials.

Since the book was first published 18 months ago, the new edition says, the Soviet Union has:

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NEW YORK TIMES
9 MARCH 1983

A Gap? Another?

By Franklyn D. Holzman

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In his first State of the Union Address, in 1981, President Reagan called for an increase in defense spending because, he said, over the preceding decade the Soviet Union had outspent us by hundreds of billions of dollars. The Central Intelligence Agency's last official estimate of the military-spending gap was $420 billion, for 1971 to 1980.

C.I.A. specialists, it was disclosed last week, have reduced their estimate of the growth of Soviet military spending since 1976 from 3 percent to no more than 2 percent a year. This (still unofficial) estimate may be important if it reflects a changing Soviet attitude toward the arms race. But it will result in no more than a $20 billion reduction in the C.I.A. estimate of the past military-spending gap. There remain three further reasons why the size of that gap is seriously overestimated and grossly misrepresents the true state of the arms race.

First, much of the gap results from the fact that in order to compare Soviet and United States military expenditures, Washington values Moscow's expenditures in dollar prices. That makes as much sense as measuring American expenditures in ruble prices. Relatively speaking, wages are much higher in America than in the Soviet Union whereas machinery and equipment, especially high-tech weapons, are many times more expensive in the Soviet Union than in America. Thus, dollar prices cause, in the C.I.A.'s words, "an overstatement of Soviet defense activities relative to those of the United States." In C.I.A. estimates, the Soviet Union's 4.3 million-man army is valued at American pay-and-upkeep scales that average about $20,000 a person. The exaggeration of this procedure was highlighted by an unofficial C.I.A. valuation in dollars of China's military establishment with its even much larger army. The bizarre result: China's defense expenditures equaled ours! On the other hand, a comparison in ruble prices would overvalue American defense spending because low Soviet pay scales would downplay the much larger Soviet Army, whereas American high-tech hardware would be exaggerated by valuing it in ruble prices that William E. Colby, former Director of Central Intelligence, called "uncountably high." Statisticians faced with divergent valuations of this sort take averages of the ruble and dollar comparisons; the C.I.A. uses this procedure in its nonmilitary-spending comparisons. Applying this procedure to American and Soviet defense spending would reduce the 1971-1980 gap by at least $100 billion.

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Third, C.I.A. concentration on the comparison of American and Soviet defense spending neglects the fact that our North Atlantic Treaty Organization allies, who comprise most of the other major industrial powers in the world, outspend the Soviet Union's Eastern Europe allies by more than 5 to 1. This difference has been so large that the gap of $420 billion in Moscow's favor becomes converted to a total East-West gap of about $300 billion in our favor, according to the Pentagon, despite the fact that measurement in dollars exaggerates Eastern defense spending. Correcting for this dollar exaggeration and factoring out Soviet expenditures on China increases the West's spending advantage over the past decade to at least $600 billion.

The implication for those who believe that the Soviet bloc is catching up in military power is that, if it is, its gains cannot be attributed to greater military expenditures. Either the bloc is not catching up as rapidly as some contend, or, if it is, America's and the rest of NATO's huge expenditures are being squandered unwisely and ineffectively. The West can ill afford to continue such a course. Throwing more money at defense will only impede needed military-spending reforms and may even be unnecessary for our defense.

Franklyn D. Holzman, professor of economics at Tufts University and a fellow at the Russian Research Center, at Harvard University, is author of "Financial Checks on Soviet Defense Expenditures."

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CHRISTIAN SCIENCE MONITOR
7 MARCH 1983

A fresh look at the Soviet threat

Freeze movement, Congress protest Reagan arms buildup as Soviet strength disputed

By Brad Knickerbocker
Staff correspondent of The Christian Science Monitor

Washington

This week sets the scene for a fundamental examination of the basis for President Reagan's push to rearm America.

The nuclear freeze movement sweeps back into town with public demonstrations. Forces on Capitol Hill normally friendly to the Pentagon continue the legislative move to slow the rate of the proposed military buildup. The Pentagon releases a new edition of its dark and troubling report, "Soviet Military Power."

At this key juncture, United States intelligence officials now concede that the pace of Soviet military force growth in recent years has been slower than earlier thought. This gets to the heart of Mr. Reagan's rationale for enduring huge deficits while pouring record sums into new weapons. He's argued that defense spending shouldn't be measured against economic impact or social goals but against the size and nature of the Soviet threat.

Until recently, US intelligence analysts assumed that Soviet military spending has grown 3 to 5 percent a year (not counting inflation), which would have been faster than the US. Now, they find that the figure for 1976-81 actually was closer to 2 percent, more in line with the rate of increase in defense spending in the US.

"For a while, we thought we were looking at a short-term cyclical phenomenon," says a senior specialist on Soviet affairs. "This past fall, we began to realize it was longer term."

Central Intelligence Agency (CIA) and Defense Intelligence Agency (DIA) officials say they are now trying to figure out why the current flattening in rate of military growth occurred and how long it is likely to last. There were similar occurrences in the late 1950s and late 1960s.

Intelligence experts critical of the way government analysts figure Soviet defense spending say there are problems with the government's methods that can distort estimates: converting rubles to dollars, for example, and judging personnel costs as if Red Army troops were paid as well as US soldiers.

"I'm not surprised that they feel they've overestimated Soviet spending," says Franklyn Holzman of Tufts University, who has written extensively on the subject and has worked with government intelligence analysts. "They always make the worst-case assumptions."

While acknowledging that they must reprogram their computers to show a slower rate of Soviet military growth, US intelligence officials warn that this country remains well behind the Soviet Union in important areas of military capability. These include construction of tanks, aircraft, submarines, and nuclear missiles.

At the same time, however, the slower rate at which these weapons are built may be tied to Soviet economic difficulties, officials say, as well as problems arising with new high-technology systems. As in the US, moving toward more complex weapons apparently means having to build fewer of them.

What CIA and DIA officials stress (and what will be emphasized in the Soviet Military Power report this week) is that there has been no slowdown in key aspects of Soviet military *investment*. This includes research, development, and construction of weapons production facilities. While the two agencies are not always in agreement, both say the Soviet Union is spending about 70 percent more than the US on military R&D.

"That's a frightening gap," says one specialist. "The Soviet defense establishment is still very intact, still very much healthy.

"Their production facilities have been expanding rapidly, especially in the past few years. It may indicate that there will be a new burst of production in the next few years. That's what we're trying to figure out."

The key is thus: How reliable are these projections if it is now acknowledged that rates of overall Soviet military growth have had to be adjusted downward?

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ON PAGE I-27

LOS ANGELES TIMES
4 MARCH 1983

U.S. Overestimated Soviet Military Outlay

By ROBERT C. TOTH, *Times Staff Writer*

WASHINGTON - The United States overestimated the growth rate of Soviet military spending from 1976 to 1981, putting it at 3% instead of 2% in each of the five years, senior U.S. specialists on the Soviet economy acknowledged Thursday.

The embarrassing revision is certain to have major political impact as Congress prepares to debate the Reagan Administration's record request for $274 billion in military spending for next year. The White House and the Pentagon have cited high and increasing Soviet defense expenditures to justify the request.

Now, however, the Central Intelligence Agency and Defense Intelligence Agency have agreed that Soviet defense spending is growing at a slower rate than previously believed, even as the U.S. defense spending rate increases.

The U.S. defense budget rose an average of 6% per year since 1976, and the new request represents a 9.5% rise over 1983, according to Pentagon figures.

The senior U.S. officials, who declined to be identified by name or agencies, maintained, however, that the Soviets have far outspent the United States in absolute numbers, irrespective of growth rates, and that they continue to do so.

For 1981, the last year for which Soviet figures have been calculated, the Soviets spent $222 billion on defense, compared to $154 billion by the United States, they said. Over the entire decade of the 1970s, the Soviets spent 80% more than the United States, according to DIA and CIA figures.

The officials denied published reports that the DIA and CIA have disagreed over the Soviet spending growth rates. Both agencies accept 2%, not 3%, the officials said.

However, sources noted that the fact that the two agencies have been debating the issue for at least nine months suggests initial disagreements. The present consensus reflects a strong desire to present a united front, one source said.

The basic reason for the controversy over Soviet military spending is that the Kremlin does not release true figures. For example, it claims to have spent only $26 billion on defense in 1981, one-tenth of the U.S. calculations, which are based on estimating the cost of Soviet weapons, personnel and the like, as detected by U.S. intelligence methods.

Agency Disagreement Denied

Soviet defense spending historically has increased at an annual rate of 3% through 1975, the officials said. The reasons for its drop to 2% after that are not known.

The officials firmly rejected suggestions that the slowdown was solely because of the slower overall growth rate of the Soviet economy or that the defense cutbacks were ordered by the Politburo in 1976.

Instead, they released one page of a forthcoming revision of the Pentagon booklet, "Soviet Military Power," which claims that the Soviet spending downturn was cyclical, or temporary, and that a new growth spurt in weapons production could come soon to wipe out the slowdowns.

"The large Soviet research and development effort, coupled with observed expansion in military production facilities, suggests that the dollar costs of Soviet military procurement may soon resume their historical growth (of 3%)."

In contrast, last year's Pentagon booklet said that "throughout the 1970s, the Soviets have consistently allocated from 12% to 14% of gross national product to military programs (compared to 5% to 6% for the United States) in spite of a marked downward trend in the rate of economic growth.

"If this trend continues, the percentage allocated to the military will increase," it predicted last year. "There are no signs of a de-emphasis of military programs."

The officials claimed Thursday that small declines in Soviet growth rates were seen in the early 1950s and 1960s before the introduction of new weapons systems. They anticipate that new Soviet aircraft and missile models will be produced in the future to restore the past growth rates.

The officials also said that they have identified a 2% growth rate earlier in each of 1979 and 1980 but considered them temporary decreases that would disappear. Over the last nine months, however, in examining all the evidence for weapons deployment in 1981, they concluded that the 2% rate continued.

They then re-examined earlier years and concluded that the 2% growth rate applied for the entire 1976 to 1981 period, rather than the 3% average.

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ON PAGE 16-A

PHILADELPHIA INQUIRER
4 March 1983

Soviets' military spending reviewed

Revised CIA studies reportedly show a smaller rate of growth

Associated Press

A review by CIA analysts indicates that previous studies by the agency might have overestimated the growth of Soviet defense spending, according to published reports.

The New York Times said yesterday that CIA specialists had revised an estimate of the increase in Soviet defense spending from as much as 4 percent each year to no more than 2 percent annually. The Times said the specialists believed that the growth rate had been overestimated for six years.

The Boston Globe reported two weeks ago that CIA analysts estimated that since 1979 the rate of Soviet military growth has been substantially below the 5 percent figure used by the Reagan administration. The Globe said some analysts had calculated that the Soviet defense budget might not be growing at all.

The administration has said that U.S. defense spending must be substantially increased to meet a growing Soviet threat.

The Globe story stressed that the estimates of Soviet spending should be considered inexact because of the difficulty in obtaining accurate information about the Soviet military and economy.

The Times reported that the Defense Intelligence Agency (DIA) was disputing the new CIA estimates. The newspaper quoted Pentagon officials as saying that the Soviets have been spending as much as expected but getting less for their money because of inflation and inefficiency in Soviet industry.

According to DIA figures, the Soviets spent $222 billion on defense in 1981, 44 percent more than the $154 billion budget of the United States for the same year.

The CIA's estimates of Soviet defense expenditures were lower than the DIA's estimates for the same year, placing the Soviet defense budget closer to the U.S. defense budget. According to the Times, CIA officials linked the decrease in Soviet defense spending with industrial inefficiency.

The Times said that to reach a dollar figure on Soviet spending, U.S. analysts use satellite photos of Soviet military equipment and estimate how much it would cost to produce the same tank, ship or plane in the United States.

But some officials said this was an inaccurate gauge since it did not take into account U.S. labor costs, which would increase considerably the cost of such weapons in the Soviet Union.

DIA officials pointed out that not all military-related spending came under the category of defense. For instance, according to DIA figures the Soviets spent $45 billion for research and development, the Times said.

ARTICLE APPEARED
ON PAGE A-1

NEW YORK TIMES
3 MARCH 1983

C.I.A. Analysts Now Said to Find U.S. Overstated Soviet Arms Rise

The following article is based on reporting by Leslie H. Gelb and Richard Halloran and was written by Mr. Halloran.

Special to The New York Times

WASHINGTON, March 2 — A dispute over Soviet military spending has erupted among intelligence analysts, according to Government officials, with specialists in the Central Intelligence Agency saying that the growth rate has been overstated for the last six years.

The C.I.A. specialists responsible for annual reviews of Soviet military spending now say that their previous estimates of increases of 3 to 4 percent each year, after inflation, may be wrong, and that the rate of growth may have been no more than 2 percent. Their judgment is based on evidence that the Soviet Union has been producing less military matériel than expected.

Difference May Be in Billions

The difference in growth rates of Soviet military outlays would mean that the Russians are spending the equivalent of several billions of dollars less each year than had been surmised.

While the new evidence is generally accepted within the C.I.A. and the State Department and among some military analysts, it is disputed by the Pentagon's Defense Intelligence Agency.

Senior officials of the C.I.A. and D.I.A. are also said to give the evidence a different interpretation. To them, Moscow has been spending as much as predicted but has been getting less for it, in part because of the higher price of more advanced arms, in part because of Soviet industrial inefficiency.

Government officials said the outcome of the debate could be politically explosive since the Reagan Administration has been talking about growing Soviet expenditures to help justify increases in American arms outlays. The military budget is already under criticism from both parties in Congress, from business groups and prominent former officials.

Government officials acknowledged that estimating Soviet military spending is an inexact art, based on incomplete information, subjective assumptions, and difficulties in translating Soviet ruble costs into dollar values.

Total Soviet military spending must be estimated because the single published Soviet budget figure labeled "defense" is believed to cover only a few unspecified categories of outlays. This figure has been fairly steady at about 17 billion rubles in recent years, or $24 billion at the current exchange rate.

The D.I.A. has reported to Caspar W. Weinberger, the Secretary of Defense, that the Soviet Union spent the equivalent of $222 billion, 44 percent more than the United States, in 1981, the most recent year reviewed.

No C.I.A. estimate for 1981 has been published, but officials said it was much lower and thus closer to the United States' military budget of $154 billion.

Whatever the outcome of the debate, the gap in spending is being closed by President Reagan's large military outlays. While the Soviet Union has been increasing its spending, whether by 2 percent, according to the new estimates, or by the 3 to 4 percent estimated earlier, the United States in 1983 is scheduled to spend 9.5 percent more than in 1982.

Satellite Photos Being Used

To estimate Soviet spending, American analysts try to obtain information about weapons, equipment, construction, testing, training and operations, largely from satellite photographs. Then they undertake a laborious count and factor in other costs such as storage space for things unseen.

The specialists assign a dollar value to what it would cost to produce a similar tank, ship or plane in the United States, bring to bear judgments from Soviet statements and other intelligence, and run it through computers to arrive at a spending estimate.

Some American specialists on the Soviet economy have questioned the validity of this approach. In view of higher American labor costs, they say, weapons may be more expensive in the United States than in the Soviet Union, and attaching the United States dollar cost to Soviet-made weapons may exaggerate their cost to the Soviet economy.

Government officials now say that C.I.A. analysts were surprised late last year when their count of Soviet arms turned out to be less than might have been expected with growth rate of 3 to 4 percent. They looked back over the last six years and found that arms production rates had been more consistent with a growth rate of 2 percent.

Two Alternative Explanations

The analysts offered two explanations: Either the Russians were spending less than estimated or they were less efficient than presumed. The weight of opinion was said to be leaning toward the theory that expenditures had in fact been lower.

The analysts speculated that the slowdown in Soviet economic growth that has been observed since 1977 might have affected the military sector. In other words, as long as the economy was expanding at a rate of 4 percent a year, military spending kept pace. But when the economy slowed to 2 percent, the growth in military spending declined accordingly.

This reasoning aroused protests from the senior officials at the C.I.A. and the D.I.A. They placed greater weight on industrial inefficiency as an explanation. They also said modern weapons were costlier, so that a given amount of money would buy fewer but more capable weapons, as in the United States.

Recount Reported Under Way

Also, according to Pentagon officials, the D.I.A. questioned the C.I.A. analysts' count of Soviet weapons. A new count is said to be under way.

In addition, the Pentagon officials said the Soviet Union in 1981 spent $45 billion for research and development, which they said was double the amount spent 10 years before. The official Soviet budget figure for "science," separate from "defense," has in fact doubled over the past decade, reaching some 22 billion rubles ($31 billion) in 1981, but it is a lower figure than the American estimate for military-oriented research and development.

The Pentagon officials said they were less confident about this estimate because there is less to see and count. For their estimates, analysts examine Soviet publications, watch expansion of design bureaus, and monitor tests.

The officials said the Soviet military program was striking in its breadth.

Specifically, the Soviet Union has tested an intercontinental missile similar to the MX, as well as a small, mobile intercontinental missile, and is working on another long-range missile and a new submarine-launched ballistic missile, they said.

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SCRIPPS-HOWARD NEWSPAPERS

WASHINGTON BUREAU
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WASHINGTON, DC 20005
(202) 833-9520

10 Feb 83

Dear Dale,

Here's a clip of the piece I did as it appeared in the Pittsburgh Press, and as it went out--a fuller version.

Many thanks for your help, and I hope I neither misinformed the readers nor maligned the agency too badly.

Cordially,

Walt Friedenberg

ply focused on

ite House

Langley, Va., CIA's

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et secret police
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Western Europe

pland to crush

major
nor any major

n-ranking
and Frank Terpil
or terrorist

spokesmen say.<
and efficiency

tions behind
vert operations

vert agents that

dampened initiative - ``You had to take along a lawyer,'' complains an old hand -- and issued instead a short memo that boils down to ``use common sense.''<

In fact, Casey has not begun many new covert action operations, but has put more resources, manpower and enthusiasm into such ``cloak and dagger'' projects. The list includes operations in Honduras, Costa Rica and elsewhere in Central America to raise the cost of Marxist support for insurgencies, arms aid to Afghan freedom fighters, clandestine activities to keep post-Khomeini Iran from going communist,

DETROIT FREE PRESS (M
25 JANUARY 1983

Joining the nuclear fraternity

CIA is skeptical of Pakistan's arms intentions

By ANDREW J. GLASS
Cox News Service

WASHINGTON — Pakistan's military-bred ruler, Mohammad Zia ul-Haq, told President Reagan last Dec. 7 that Pakistan had no interest in building nuclear weapons.

After Reagan and Zia parted, an administration official told reporters: "We accept that the president of Pakistan is telling us the truth."

The official said Zia, on his first visit to the United States, was offered $3.2 billion in aid — aimed in large part at persuading Pakistan not to go nuclear.

But across the Potomac, the Central Intelligence Agency was skeptical. It has a fat folder crammed with documents that point to Pakistan's posing a substantial threat to any hope of stopping the spread of atomic bombs. The facts:

- Near Islamabad, the Pakistanis have built a laboratory to reprocess spent nuclear fuel into plutonium.
- At Chasma and Rawalpindi, construction is under way on larger reprocessing plants for separating plutonium from uranium.
- At Kahuta, the Pakistanis are building a plant that can produce highly enriched weapons-grade uranium.

A nuclear test does not necessarily catapult a country into a position among the nuclear powers. On the other hand, a nation can gather the technology and the industrial capacity to produce a nuclear weapon without ever conducting a test.

The real key to nuclear potential is plutonium, a radioactive, silvery metal whose name is derived from an ancient Greek god who presided over hell.

Until World War II, plutonium was found only in traces of natural uranium deposits. Today, plutonium is produced when uranium fuel rods are irradiated in the cores of nuclear reactors.

Some plutonium has been extracted, or reprocessed, to make nuclear weapons in the United States, the Soviet Union, France, Great Britain and China.

The CIA believes that at least 19 more countries will have developed or otherwise acquired the ability to make nuclear weapons by the 1990s: Argentina, Brazil, Egypt, Greece, India, Iran, Iraq, Israel, Italy, Japan, Libya, Pakistan, South Africa, South Korea, Spain, Taiwan, Turkey, West Germany and Yugoslavia.

There are 286 commercial reactors operating in the non-Communist world, providing about nine percent of electric power. Each reactor is a potential source of bomb-grade plutonium.

The typical nuclear power plant produces, as a waste byproduct, up to 600 pounds of plutonium a year. In theory, that's enough to produce about 35 atomic bombs of the type and force that devastated Nagasaki in 1945.

A mere eight kilograms (17.6 pounds) of plutonium is enough to assemble a nuclear bomb.

Paul Leventhal, a Washington-based nuclear analyst, estimates that by 1990, world stockpiles of plutonium available for reprocessing will amount to 760 tons, and by the beginning of the 21st Century that figure could climb to 2,700 tons (enough for some 337,500 bombs).

France is expanding programs

France is the nation to watch in this risk-filled plutonium race. It is expanding its programs while many nations are cutting back. It set a goal of being able to generate nearly all of its electrical power needs through nuclear fuels by the end of the century.

One way of keeping costs down is to produce plutonium and sell it abroad. France already has two reprocessing plants.

U.S. policy on nuclear fuels has changed during the Reagan administration.

Shortly before leaving office, President Gerald Ford called for a halt in the rush to plutonium as a nuclear fuel until, he said, "the world can effectively overcome the associated risks of proliferation." Ford then took the United States out of the plutonium-making business. It was a policy that his successor, Jimmy Carter, followed.

But the Reagan administration has said it would deal with the world as it really is. It has eased nuclear export controls to those countries that seem to pose little or no proliferation risk. Yet restraints also have been eased for sales to South Africa, which presents one of the world's most serious proliferation problems.

Checking for missing material

Hans Blix, director general of the International Atomic Energy Agency, the world's nuclear watchdog headquartered in Vienna, said the agency uses a bookkeeping approach toward safeguards. It measures the amount of fissionable material that goes into a nuclear reactor or a reprocessing plant. It then measures the amount that comes out, and tries to determine how much — if any — is missing.

Officials allow for a small measuring error, perhaps one percent. The problem is that one percent of a very large reactor could be enough to make several bombs.

For larger plutonium reprocessing plants, the hope is that new computer-based accounting techniques will permit taking inventories on a far more frequent and accurate basis.

Plants could also be designed to reduce losses by limiting the number of entrances and exits and by making sure they are all heavily guarded and equipped with automatic detection devices.

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RADIO TV REPORTS, INC

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FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Morning News STATION WDVM-TV
CBS Network

DATE January 25, 1983 7:00 A.M. CITY Washington, D.C.

SUBJECT Interview with Ralph McGehee

CONNIE CHUNG: The CIA is about to get another beating from a former agent who has written a book. This time it's called "Deadly Deceit." But its author, Ralph McGehee, is not your ordinary disgruntled spook with a grudge. He's not interested in telling secrets and blowing covers. And in talking with our John Sheahan, he made it clear that for years he acted no differently from the colleagues he is now criticizing.

JOHN SHEAHAN: It's clear that your hands were not exactly clean, either, that you provided the data. And on the basis of these data, alleged communist political organizers were ambushed and killed.

RALPH MCGEHEE: Yes.

SHEAHAN: How does that look to you now? How do you feel about that today?

MCGEHEE: I feel very badly.

SHEAHAN: For 25 years Ralph McGehee worked for the CIA. His specialty was ferreting out secret communist organizations in Southeast Asia. But McGehee, the superspy, is about to make himself an outcast in the cloak-and-dagger world. Next month he intends to publish a scathing book about his former employer, the Central Intelligence Agency.

MCGEHEE: The agency is not an intelligence agency. It's a covert action agency. And disinformation is a large part of its covert action charter. And the American people are the primary target audience of its lies.

VICTORIA ADVOCATE (TX)
11 JANUARY 1983

EDITORIALS

Oil Imports Shifting

In the running debate over the current state of OPEC, marked by experts arguing over whether the Arab-dominated oil cartel can survive, much less regain its stranglehold on oil-importing nations, one very important development is largely ignored.

While it is well-known that the United States is importing less oil these days and using it more efficiently, little is said of a more subtle shift in the pattern of oil trade — the U.S. is steadily and quietly weaning itself from Middle East oil, replacing it with lower-priced and politically safer oil from England and Mexico.

According to Robert Burns of The Associated Press, the most recent available figures — assembled by the Central Intelligence Agency — put U.S. oil imports from Arab nations at 722,000 barrels a day last August. That is less than half the daily average during 1981, Burns says.

Total U.S. oil imports have dropped to a daily average of about 5 million barrels, one-third of the oil used by Americans each day. That import share is far below the peak import year of 1977, when imports represented nearly one-half of U.S. oil needs.

But that decline is nowhere near as dramatic as the sharp shift away from Arab oil. By the CIA's estimate, 18.9 percent of oil imports came from Arab countries in August, down from almost 50 percent in both 1978 and 1979.

A major factor in that decline was President Reagan's decision last year to ban imports of Libyan oil. In 1979, Libya provided 10 percent of U.S. oil imports, making it the third largest seller to the United States.

Nor is the U.S. alone in reducing imports of Arab oil, although other countries remain more dependent on Arab oil. West Germany and France, for example, each get about one-half their oil imports from the Arab countries — but in 1973, the Arab share was was 75 percent. Japan, after reaching a high of 65 percent in 1980, has cut the Arab share of its oil market to 59 percent.

The United States has accomplished this shift in sources by concentrating on Mexico and England. Indeed, Mexico has replaced Saudi Arabia as the largest single supplier of foreign oil for the U.S. market, rising from 7 percent of total U.S. imports in 1979 to 22 percent today. Mexico is not an OPEC member, and it sells its oil at significantly lower prices. England's oil prices also are lower than those of the OPEC nations.

By slashing their dependence on the Middle East oil producers, the Western nations are reducing the risk of embargoes or other forms of political blackmail by Arab nations, as well as the massive transfer of dollars to the Middle East. In addition, the U.S. and other oil importing nations are paying far more attention to developing their own energy resources.

That is all to the good. The massive economic and political dislocations that have occurred as a result of Arab use of the so-called "oil weapon" is intolerable to the importing nations. Any move away from dependence on the OPEC countries can only benefit the West.

ASSOCIATED PRESS
5 JANUARY 1983

U.S. Turning Away From Arab Oil Dependence

BY ROBERT BURNS

NEW YORK

It's no secret that the United States is importing less oil these days and using it more efficiently. But little is said of a more subtle shift in the pattern of oil trade, one that may last longer than the drop in imports.

Steadily and quietly the United States is weaning itself from Middle East oil.

In its place: lower priced and politically safer oil from Great Britain and Mexico.

That is not to say the United States is no longer dependent on the Arab oil producers. Those nations will be selling a signficant share of the world's oil for many years to come. But the trend is clearly a boon to U.S. energy security.

Here are some questions and answers to help explain the shift away from Arab oil:

Q. How much oil do we get from the Arab countries?

A. In the most recent figures available, the Central Intelligence Agency estimated the United States imported 722,000 barrels a day from Arab nations last August. That is less than half the daily average of 1981 and one-third lower than in September 1973, the month before an Arab oil embargo against the United States and other nations.

Total U.S. oil imports have dropped to a daily average of about 5 million barrels, equalling about one-third of the 15 million barrels used by Americans each day. That import share is about equal to the 1973 level but far below the peak import year of 1977, when imports represented nearly one-half of U.S. oil needs.

Q. Has the United States cut back more on Arab oil than on other foreign sources?.

A. Yes, and that is the shift rarely mentioned in talk about cutting imports. By the CIA's estimate, 18.9 percent of oil imported into the United States came from Arab countries last August. That figure was just over 30 percent in September 1973, and it peaked at near 50 percent in both 1978 and 1979. One of the biggest reasons for the sharp decline in use of Arab oil was President Reagan's decision last year to ban imports of Libyan crude. In 1979, Libya was providing 10 percent of U.S. oil imports, making it the third largest seller to the United States.

Q. What about the other oil-importing industrialized countries such as West Germany?

CONTINUED

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ASSOCIATED PRESS
9 December 1982

Cuba Said to Increase Troop Strength in Angola

+BY GEORGE GEDDA
+ASSOCIATED PRESS WRITER
WASHINGTON (AP) - CUBA IS BELIEVED TO HAVE SENT AN ADDITIONAL 10,000 TROOPS TO ANGOLA IN RECENT MONTHS, RAISING THE TOTAL TO 30,000, ACCORDING TO CENTRAL INTELLIGENCE AGENCY ESTIMATES.
U.S. OFFICIALS, SPEAKING WEDNESDAY NIGHT ON CONDITION THEY NOT BE IDENTIFIED, SAID THE REPORTED INCREASE MAY HAVE BEEN RELATED TO STEPPED UP MILITARY ACTIVITY IN ANGOLA IN RECENT MONTHS BY SOUTH AFRICA AND BY ANGOLA'S ANTI-COMMUNIST REBEL MOVEMENT.
THE OFFICIALS EMPHASIZED THAT IT IS DIFFICULT TO MEASURE THE NUMBER OF CUBAN TROOPS BECAUSE OF IMPRECISE REPORTING TECHNIQUES. ONE OFFICIAL CALLED THE CIA FIGURE A ''GUESSTIMATE.''
CUBAN FORCES FIRST BEGAN ARRIVING IN ANGOLA IN LATE 1975 TO SUPPORT THE POST-COLONIAL MARXIST GOVERNMENT THERE AGAINST SOUTH AFRICAN MILITARY THREATS. IN RECENT YEARS, AMERICAN ESTIMATES OF CUBAN TROOP STRENGTH THERE HAVE BEEN IN THE 20,000 RANGE.
THE CUBAN TROOP PRESENCE IN ANGOLA HAS BEEN A MAJOR STUMBLING BLOCK IN THE EFFORTS OF THE UNITED STATES AND OTHER WESTERN COUNTRIES TO NEGOTIATE INDEPENDENCE AND BLACK MAJORITY RULE IN NAMIBIA, THE SOUTH AFRICAN-CONTROLLED TERRITORY WHICH BORDERS ON ANGOLA TO THE SOUTH.
SOUTH AFRICA HAS LAUNCHED REPEATED MILITARY RAIDS AGAINST BASES IN ANGOLA MAINTAINED BY NAMIBIA'S BLACK NATIONALIST GUERRILLAS, THE SOUTH-WEST AFRICA PEOPLE'S ORGANIZATION.
THE PRETORIA GOVERNMENT, WITH U.S. SUPPORT, HAS SAID IT WILL NOT GRANT INDEPENDENCE TO NAMIBIA UNTIL CUBAN FORCES LEAVE ANGOLA.
ANGOLA HAS CONTENDED THAT THE NAMIBIAN AND CUBAN TROOP ISSUES SHOULD NOT BE LINKED AND SAID AMERICAN BACKING FOR THE SOUTH AFRICAN POSITION HAS DELAYED RESOLUTION OF THE NAMIBIAN QUESTION.
SOUTH AFRICA RETAIN CONTROL OF THE MINERAL-RICH, SPARSELY-POPULATED TERRITORY IN DEFIANCE OF U.N. RESOLUTIONS.
THE ANGOLANS ALSO HAVE SAID THE CUBAN TROOPS WILL REMAIN AS LONG AS SOUTH AFRICAN MILITARY ACTIVITY ON ANGOLAN TERRITORY CONTINUES.
THE DISCLOSURE OF THE REPORTED INCREASE IN CUBAN TROOP STRENGTH FOLLOWED AN UNPRECEDENTED MEETING BETWEEN SOUTH AFRICAN AND ANGOLAN OFFICIALS WEDNESDAY IN CAPE VERDE.

ARTICLE APPEARED
ON PAGE A-19

NEW YORK TIMES
24 NOVEMBER 1982

Reagan and Military Balance: His Numbers Are Right but Nearly Irrelevant

By LESLIE H. GELB
Special to The New York Times

WASHINGTON, Nov. 23 — In his speech Monday night, President Reagan restated his belief that "in virtually every measure of military power the Soviet Union enjoys a decided advantage" over the United States.

News Analysis

Hardly any military experts in or out of the Administration deny that the enormous Soviet military buildup over the last two decades has confirmed the Soviet Union as the dominant power on the Eurasian land mass and the equal of the United States in strategic nuclear striking power. Beyond that, there is considerable disagreement among the experts about what that means and whether Moscow has gained military superiority.

William W. Kaufmann of the Massachusetts Institute of Technology, who has worked on estimating the military balance for all Republican and Democratic Secretaries of Defense in the 1960's and 70's, said in an interview: "Mr. Reagan's measuring of the balance by counting numbers of weapons on each side is generally regarded by experts as pure propaganda. Even the Reagan Administration has no plans to duplicate Soviet force levels because we don't need them for our purposes."

"It is the prevailing view of experts in and out of the Administration," he continued, "that the United States has a strong second-strike capability right now and can defend its traditional allies right now."

Factors Other Than Numbers

He added, "Comparing numbers without looking at purposes, geography, allies and the like is a false comparison."

For example, Mr. Reagan cited the generally agreed estimate that Moscow spends 12 to 14 percent of its estimated gross national product on arms every year. The Office of Management and Budget says the American figure has been 5 to 6 percent for four years. The American gross national product, however, is almost double that of the Soviet Union.

Experts for the most part see such comparisons more as debating points than analytical tools. The Central Intelligence Agency was first asked to make these comparisons in the 1960's as a way of showing that the United States was ahead. In the mid-70's, Defense Secretary James R. Schlesinger asked them to show that trends in military development were becoming adverse to the United States.

These comparisons are difficult at best, in part because the Soviet Union does not publish accurate budget figures, and it is particularly difficult to estimate expenditures in areas such as research and development. Also, while manpower consumes almost half of the American military budget, it accounts for less than one-fourth of the Soviet budget.

Comparisons Show Trends

To experts at London's International Institute for Strategic Studies, the Pentagon and the Central Intelligence Agency, the main and perhaps only value of these overall budget comparisons is to point out trends. By all accounts, these trends show Moscow continuing to outdistance Washington in numbers of weapons produced and closing the gap in the quality of weapons.

Mr. Reagan pointed out that the United States has not increased its number of intercontinental ballistic missiles since 1965. But each Administration since then has elected to increase the number of nuclear warheads on each missile rather than the number of missiles themselves, a choice that American experts say was deliberately made for strategic reasons. There was an even greater addition of missile warheads in the American submarine force in this time.

In 1962, the balance of strategic nuclear warheads and bombs stood at 2,000 for the United States and 200 for the Soviet Union. Today, each side has over 9,000.

Mr. Reagan pointed to the fact that the Soviet Union has added 60 new ballistic-missile-firing submarines to its force in the last 15 years as against one new submarine last year for the United States. There is virtually unanimous expert judgment that American submarines, despite their age, remain decidedly superior in overall performance.

Another Example: Bombers

He cited the fact that the Soviet Union has 200 of the new bombers known in the West as Backfires and is building 30 more each year, while much of the American long-range bomber force is 20 years old. But again, the prevailing judgment in the United States Air Force is that the old B-52's are far better long-range bombers than the Backfire or standard Soviet bombers, such as those known in the West as the Bear and the Bison.

With regard to Mr. Reagan's general analysis of the strategic situation and the MX decision in particular, former Defense Secretary Schlesinger said in an interview: "It does not logically scan. If we have become increasingly weak relative to the Soviets, it hardly follows that Mr. Reagan should have decided to cut the Carter Administration plan to deploy MX from 200 missiles to 100."

No one disputes Mr. Reagan's statement about Moscow adding to and modernizing its force of medium-range ballistic missiles targeted on Western Europe. But opinions vary in and out of the Administration on the significance of this. Some experts argue that unless this gap is closed, deterrence in Europe is jeopardized. Others maintain that this gap has existed essentially for 20 years without noticeable harm. But most experts are in favor of closing it.

Allies and Quality

Nor does anyone challenge Mr. Reagan's statement that Soviet forces "far exceed us in the number of tanks, artillery pieces, aircraft and ships." But as experts have been quick to point out, this overlooks the abilities of American and Soviet allies and ignores the issue of the quality of weapons.

When allied totals are added, the numbers on each side are much closer. The total number of ships in the Atlantic alliance exceeds the Warsaw Pact total. American ships alone, although less numerous than the Soviet ships, are larger and better.

The general quality of American conventional forces remains superior to the Soviet Union's, although Moscow continues to close the gap. Recent encounters between Syrian forces using frontline Soviet aircraft and surface-to-air missiles and Israeli forces using American equipment were a case in point to experts. The Israelis destroyed some 30 missile batteries and 80 aircraft without a loss. The Israelis also destroyed some new Soviet T-72 tanks, previously considered virtually impenetrable.

Mr. Schlesinger, who like most experts in the field sees rising Soviet military abilities and favors increased American military spending, maintained that there were real penalties associated with Mr. Reagan's approach. "It is unwise for the President to declare that the United States is in an inferior position," he said. "Indeed, in regard to strategic forces particularly, the issue is much too ambiguous at any rate."

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THE NEW REPUBLIC
22 NOVEMBER 1982

THE INTELLIGENCE GAP

The Soviet Estimate: U.S. Intelligence Analysis and Russian Military Strength
by John Prados

(Dial Press, 367 pp., $17.95)

In *The Soviet Estimate*, John Prados looks at how the U.S. government has assessed, over the last three decades, the ability of the Soviet Union to make nuclear war on the United States. The title, with its odd echo of Robert Ludlum's thrillers, refers to the U.S. intelligence community's annual joint analysis and prediction, or "estimate," of the Soviet Union's current power and future capabilities. This is not the dry and quiet matter of counting megatons and missile silos that it would seem to be, for the evidence is usually sketchy, and the incentives to interpret it in certain fashions are great: the U.S. defense budget is always drawn up with an eye on the estimate's measure of the Soviet threat and its indications of whether we should respond with submarines, land-based missiles, or bombers. And, as Prados shows, the estimate has often lurked behind, and even shaped, the debate in Presidential campaigns, as with John F. Kennedy's complaints about the "missile gap" in 1960 and Ronald Reagan's warnings about the Soviet defense buildup in 1980.

Small wonder, then, that the estimates have received such mixed reviews. Eugene Rostow, for example, claims to have found in the American intelligence community a "bias of systematic optimism about Soviet intentions and capabilites," while George Kistiakowsky argues that "usually, the government's experts [have] overestimated the danger" of "the Soviet threat." So also has Daniel O. Graham held that "CIA analysts generally share the antimilitary bias of liberal academia," while George Kennan, certainly no less imposing a figure, charges that the U.S. government has been guilty of a "routine exaggeration of Moscow's military capabilities."

Now, with the declassification of many of the estimates, the accuracy of the analysts has become a matter open to public review. Thus, while Henry Kissinger, in the first volume of his memoirs, refers us to Albert Wohlstetter's work in stating that "American planners in the Fifties and Sixties consistently underestimated the Soviet buildup," we hear from "the brilliant analyst Albert Wohlstetter" (as Kissinger calls him) a rather different conclusion: "Our officials sometimes overestimate, and sometimes underestimate, and sometimes they get it right."

Representative Les Aspin, in an excellent article in *Strategic Review* not long ago, produced a scorecard on the estimates. Looking at seven major developments in Soviet strategic strength—the A-bomb, the H-bomb, the long-range bomber, the long-range missile, the ABM, the MIRV, and the widespread deployment of ICBMs and SLBMs—Aspin found that the intelligence analysts, on the whole, had done rather well. But the effect of Aspin's exercise was to demonstrate how difficult the process of estimating is, and how ambiguous both the evidence the analysts use and the conclusions they produce really are.

This is how Aspin's scorecard looks: the analysts said the Soviets would produce an A-bomb by 1952, and the Soviets did it by 1949. The analysts predicted a Soviet H-bomb by 1954, and the Soviets had it by 1953. They said the Soviets would have 500 long-range bombers by 1960, and they had only 190 by 1961. They predicted the Soviets would have 500 long-range missiles in 1961, but by then the Soviets actually had deployed only 10. The analysts at the Pentagon argued that the Soviets would attempt to deploy the ABM (antiballistic missile) nationwide, but the Soviets never did. The final two categories are somewhat more confusing: on the question of the Soviet MIRV (the "multiple, independently targetable re-entry vehicle," essentially many little missiles on top of one intercontinental vehicle), Aspin writes that intelligence analysts first "overestimated (in 1965 the prediction was 1970), then underestimated (in 1968 the prediction was 1978), then overestimated again (in 1969 the projection was 1971)." And because analysts had concluded that the U.S.S.R. would MIRV its existing missiles —which it actually did not do until 1975 —instead of simply building more, which is what it did, [illegible] mated the rate of deployment of Soviet ICBMs (intercontinental ballistic missiles) and SLBMs (sea-launched ballistic missiles).

Prados covers much the same ground, though in more detail, as Aspin did in his article. Where Aspin only touches on how politics and the bureaucracy of intelligence distort the estimates, Prados makes that a central theme of his study. As Sherman Kent, a former head of the CIA's Office of National Estimates, once observed, "estimating is what you do when you do not know." Prados shows how, when the intelligence community did not know (which was surprisingly often), institutional interests rushed in to fill the vacuum. In the airless world portrayed by Prados, there are few locations —the White House, Langley, Fort George G. Meade, the Pentagon, Moscow, and a few missile bases—and no personalities, save those of institutions—the mendacious National Security Council, the long-suffering CIA, and the clownish Air Force intelligence agency. Prados's view of Air Force intelligence is not exceptional (it has been written of one former head of that agency that he "helped make paranoia a technically sophisticated art form"), but he stands out for his sheer doggedness in following the actions and acronyms through the decades.

The "bomber gap," for example, took off in 1955, when the Soviets fooled the Air Force's attaché in Moscow by flying all their long-range bombers over a parade reviewing stand twice. In short order the Air Force was telling Congress that the Soviet Long-Range Air Force would be double the size of the U.S. Strategic Air Command by 1959. That never happened, for the Soviets built fewer than one-third the number of bombers the Air Force predicted. Yet when the "bomber gap" dwindled and disappeared, there were no Congressional inquiries or internal investigations.

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NEW YORK TIMES
17 OCTOBER 1982

U.S. Plans Big Spending Increase For Military Operations in Space

Program Includes Better Satellites, Gathering of Intelligence and a Cargo Role for the Shuttle

By RICHARD HALLORAN
Special to The New York Times

WASHINGTON, Oct. 16 — After a quarter-century of mostly peaceful exploration of space, the United States has begun a vast expansion of its military operations there.

In the next five years the Reagan Administration plans to increase spending on military operations in space even faster than the rest of the military budget.

Better satellites are planned for highly sophisticated communications, intelligence gathering, navigation, weather forecasting and mapping. The space shuttle, having carried its first military payload, will replace rockets as the primary vehicle for lofting military cargoes into orbit.

The Administration has undertaken elaborate new measures to defend satellites and has ordered a ground-based antisatellite system to be ready by 1987. It has also stimulated research to develop a new generation of advanced weapons such as lasers, though officials say they do not plan to station weapons in orbit.

New Space Command Organized

To put this into a framework, President Reagan has enunciated a new space policy with emphasis on military operations, and the Air Force has organized a new Space Command.

The purpose of the surge into military space operations is to enable American forces to fight more effectively in a prolonged conventional or nuclear war around the world against the Soviet Union, according to a variety of Administration officials. Those officials also argue that the United States cannot surrender the high ground of space to the Soviet Union, most of whose space effort, they say, is for military purposes.

The immediate objective is to provide communications and intelligence that are faster, more reliable, and more secure than current systems to enable outnumbered or outgunned United States forces to move faster and strike harder at vulnerable points. Military commanders call this generating "force multipliers."

The Under Secretary of the Air Force, Edward C. Aldridge, said: "There is the need to find how we can better utilize our existing forces. One thing is information, navigation, weather, communications, all those things that contribute to a better allocation of forces."

Mr. Aldridge, a key official in the military space program, asserted, "There is clearly a need to provide better support to military commanders in time of crisis and in wartime."

"That translates to a need to maintain spacecraft that operate in a hostile environment," he said, referring to places where the craft might come under attack.

Today, Defense Department officials say, American military forces rely on more than 40 satellites for long-range communication, a variety of intelligence gathering, navigation, weather forecasts and mapping.

Those operations, according to Mr. Aldridge, will be enlarged as the Administration plans to increase spending for military uses of space more than 10 percent a year after making up for the effects of inflation. Growth in that area would be faster than the 7 percent annual increases in the overall military budget.

A vital element will be the space shuttle.

"The space shuttle will change the way we do business," said Gen. Robert T. Marsh, commander of the Air Force Systems Command. "We will depend upon it for launching virtually all of our national security payloads."

and transition costs to accommodate 20 defense shuttle launches" through 1987.

The first shuttle with a purely military cargo, the nature of which officials would not discuss, is scheduled for next fall. After that, 113 of the 311 flights planned through 1994 will carry military payloads, Mr. Cooper said.

Moreover, weapons capable of destroying Soviet satellites are being developed. The Administration plans to spend $20 billion more on communications, mostly in space, to strengthen control of nuclear forces.

To underscore the new military emphasis on space, Mr. Reagan has outlined a policy for space operations. Minutes after the shuttle Columbia touched down on July 4, Mr. Reagan issued a directive, and the first point on the list was "the security of the United States." While reaffirming a commitment to peaceful uses of space, the directive said, "The United States will pursue activities in space in support of its right to self-defense."

Five-Year Strategic Plan

The five-year strategic plan known as Defense Guidance elaborates, saying, "The United States space program will contribute to the deterrence of an attack on the United States or, if deterrence fails, to the prosecution of war by developing, deploying, operating and supporting space systems."

The Air Force, which has the greatest share of responsibilities in space, has organized a Space Command that will gradually centralize control of space operations. The deputy commander, Lieut. Gen. Richard C. Henry, said: "Space is not a mission, it is a place. It is a theater of operations. It is now time that we treat it as a theater of operations."

Even so, Administration officials insist that they have no plans for putting weapons into orbit.

"We are conducting research and planning related to space weaponry," said Richard D. DeLauer, the Under Secretary of Defense for Research and Engineering. "But I emphasize that no commitment has been made to acquire space-based weapons. And we will proceed only if our national security is so threatened."

Defense Department budgets, however, reflect the Administration's priorities. The military space budget in 1982, which was $6.4 billion, for the first time surpassed that of the National Aeronautics and Space Administration, which was $5.5 billion.

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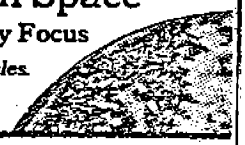
Buildup in Space
A New Military Focus
First of three articles.



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FOR PUBLIC AFFAIRS STAFF

PROGRAM Morning Edition STATION WAMU-FM NPR Network

DATE September 24, 1982 6:30 P.M. CITY Washington, D.C.

SUBJECT Intelligence Reporting in Central America

CARL KASELL: The House Intelligence Committee released a 47-page report yesterday criticizing certain aspects of American intelligence reporting on Central America. NPR's Bill Buzenberg says that the House study found serious lapses in the objectivity of some intelligence reports.

BILL BUZENBERG: The issue raised by the House report is this: Has the Reagan Administration's tough policy on Central America skewed intelligence reporting on that region? American intelligence agencies would answer no. But the report by the House Oversight and Evaluation Subcommittee says yes, in some instances.

Subcommittee Chairman Charles Rose of North Carolina says their findings were released yesterday over the objections of intelligence agencies in order to prod them in public.

REP. CHARLES ROSE: We generally give them nothing but praise. But on occasion we find some things that we think need to be corrected.

BUZENBERG: What needs to be corrected, Rose says, are instances where intelligence reporting on Central America appear to bend to Administration policy.

REP. ROSE: There were some overstatements, some oversimplifications, some almost misinformation in some cases, that if continued could fall into a pattern of having the policymakers driving the intelligence, rather than the intelligence being independent.

BUZENBERG: Three examples cited in the House report:

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ON PAGE A-19

THE WASHINGTON POST
23 SEPTEMBER 1982

Need Seen for Intelligence Agencies Independence

By George Lardner Jr.
Washington Post Staff Writer

The chairman of a House intelligence subcommittee warned yesterday that the CIA and the rest of the nation's intelligence agencies may be in danger of being "co-opted by the policy-makers at the White House."

Rep. Charlie Rose (D-N.C.) said a special staff study of intelligence reports and assessments of El Salvador and Nicaragua in recent years suggests the need for a stiffer resolve and posture of independence on the part of the U.S. intelligence community.

The 47-page study sets out what Rose called examples of "sloppiness, overstatement or inaccuracies" that should be warning enough of the need for more care and objectivity.

The full House Intelligence Committee decided at a closed session Monday to make the report public despite objections from the CIA, the National Security Agency and the Defense Intelligence Agency.

A draft copy obtained by The Washington Post and cited in yesterday's editions was a toned-down version prepared by minority staffers.

The committee ordered release of a more strongly worded and detailed majority study on a voice vote that Rose said was "pretty much along party lines."

The report praised U.S. intelligence reports and estimates in Central America in a number of areas, such as the CIA's mid-1978 prediction of the downfall of the Somoza regime in Nicaragua.

But the study by the Oversight and Evaluation subcommittee staff said it had also found certain weaknesses, including intelligence reports and presentations that suggested greater certainty than the evidence warranted, that relied on "some unquestioned and sometimes contradictory assumptions," and that accepted Salvadoran government descriptions when there was ground for skepticism.

The subcommittee staff said it also noticed a tendency to view information from non-intelligence sources "simply as material to be countered" rather than examined objectively.

The report was published with a disclaimer stating that "it does not represent the views of all members of the committee," but Rose told reporters that "it certainly represents my views and, I would say, the views of the majority."

The report took issue with the administration's complaints earlier this year about news stories of a massacre in the El Salvador's Morazan province. Congress was told two U.S. Embassy officers were sent out to investigate the stories and "no evidence could be found to confirm that government forces systematically massacred civilians" or that the numbers killed remotely approached those cited in press reports.

The embassy investigators, the House staff study emphasized, "never reached the towns where the alleged events occurred."

The subcommittee's ranking minority member, Rep. C. W. (Bill) Young (R-Fla.), protested the release of the report and said he considered it "extremely biased."

Rose said he stood solidly behind it.

"What I hope this says to the intelligence community," Rose told reporters, "is 'fellas, you do a great job but be careful you don't get co-opted by the policy-makers at the White House.' It is far more important that you retain a degree of independence and aloofness from the political process. If that doesn't happen, there is going to be a loud call from the Congress that we construct real independence between the administration and the intelligence community.' "

Spokesmen at the White House and the CIA said they had no comment.

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BALTIMORE SUN
23 SEPTEMBER 1982

U.S. intelligence estimates assailed

Washington (AP)—U.S. intelligence agencies resorted to simplistic, overstated intelligence estimates in an effort to bolster support for Reagan administration policy in Central America, a House committee staff said in a sharply critical report released yesterday.

The Intelligence Committee staff report focused on several intelligence estimates and briefings dealing with Nicaragua's military buildup, outside support for guerrillas in El Salvador and a crackdown against the Miskito Indians by Nicaragua's Marxist regime.

"Taken as a whole, intelligence on Central America is strong, and its task is both difficult and particularly important," the report said.

But it also spelled out "the costs of intelligence misuse," pointing to estimates produced by the Central Intelligence Agency and other intelligence agencies "whose primary purpose appears less to inform policy choices than to help mobilize support for policy.

"This is not to say that these products are intended to convey falsehoods, or that they lack serious analysis. But the purpose of a product fundamentally affects its nature," the report said.

Such misuse of intelligence estimates to promote policy goals, it said, results in a loss of "precisely qualified judgments and rigorous evaluation of contradictory evidence."

A CIA spokesman had no comment on the report.

The staff report said problems with recent intelligence on Central America were exemplified by a March 4 briefing on external support for the Salvadoran guerrillas.

"Although the briefing consisted essentially of a rigorous and successful analysis of intelligence data—a very important and informative accomplishment—the presentation itself was marred by various overstatements and misstatements," it said.

The report also said that an intelligence assessment regarding Nicaragua's removal of the Miskitos from their home territory along the Atlantic Coast "was so selective that it could not help policymakers to understand the detailed and often contradictory information available in charges and countercharges by Indians and Sandinistas, and the statements of Moravians and Catholics, among others."

THE ASSOCIATED PRESS
22 SEPTEMBER 1982

By BARTON REPPERT

WASHINGTON

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Asked about the study, CIA spokesman Dale peterson said, "We have no comment."

In issuing the study, Rep. Charles Rose, D-N.C., chairman of the panel's subcommittee on oversight and evaluation, said, "It is no secret that our committee labored mightily over the decision to release this staff report."

"Some members believed that we should circulate it only within the intelligence community, as a kind of in-house critique," he said. "Some felt the staff report was unfair in its criticisms. Some members shared the intelligence agencies' fear that public release would damage public confidence in intelligence."

Rose said his subcommittee staff has worked with the intelligence agencies "to ensure the accuracy and fairness of the report."

Also, he said, "I believe that public release of an unclassified report like this, that both praises and criticizes intelligence performance, will actually strengthen public confidence in intelligence and in the congressional oversight process."

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THE NATION
4 SEPTEMBER 1982

LETTERS.

WALLACE ON VIETNAM NUMBERS

New York City

In his letter to *The Nation* [Aug.7-14], Lieut. Gen. Daniel O. Graham makes a number of specious assertions concerning the CBS News documentary "The Uncounted Enemy: A Vietnam Deception."

First, the general says he agreed to be interviewed only after receiving a guarantee from me that CBS would air his on-camera remarks setting forth his contention that MACV estimates of enemy strength in 1967 and 1968 were not *too low* but *too high*. Graham, of course, is one of the officers at the heart of the controversy over intelligence reporting during the Vietnam War that was chronicled in "The Uncounted Enemy." I am not addressing the question of Graham's role in these matters. I simply want to make it clear that what he wrote to *The Nation* about my supposed guarantee is untrue.

Graham refers to an agreement made during a telephone conversation he had with CBS producer George Crile and myself. The general told us he would be pleased to do an interview with us and asked only that we, in the course of the interview, allow him to express his position on enemy strength estimates. Crile and I assured him that we would be happy to film whatever he had to say on this subject. That was the extent of the agreement. Neither Crile nor I made a guarantee to Graham to include any specific comments from the interview in the broadcast.

I also find it impo[illegible] another of Graham's assertions: that there is "ample documentary evidence that the C.I.A. agreed with military intelligence on strength figures throughout the war." The general knows this to be untrue, as does everyone else involved in the bitter intelligence dispute between the C.I.A. and MACV during the summer and fall of 1967, and then again in the months after the Tet offensive.

The fact is, the C.I.A. first challenged the military's enemy strength estimate of 285,000 in May 1967 by publishing its own estimate of 500,000 in a report to Secretary of Defense Robert McNamara. The C.I.A. then formally challenged MACV's numbers throughout the summer and fall in numerous and often bitter sessions of the National Intelligence Estimate Board in Langley, Virginia. This battle is documented in the Pike Committee hearings; in Tom Powers's book on Richard Helms, *The Man Who Kept the Secrets*; and in the testimony of the many military and intelligence officers interviewed for "The Uncounted Enemy."

To suggest that this was anything but a full-scale confrontation between the C.I.A. and MACV is an attempt to rewrite history. Beyond that, Graham knows that the C.I.A. only *temporarily* gave in to MACV's intractable position. He knows that after the enemy surfaced at Tet, the C.I.A. reopened the Order of Battle dispute and once again supported its estimate of an enemy army in the 500,000 range.

So that there can be no question about these matters, I am sending the editors of *The Nation* several C.I.A. memorandums and cables directly pertaining to this controversy. These documents demonstrate how fundamental the differences were between the C.I.A. and MACV over the critical question of the size of the enemy the United States was fighting.

Mike Wallace
CBS News

THE SAN DIEGO UNION
19 JULY 1982

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ON PAGE A-1

Even His Critics Acknowledge Casey Has Strengthened CIA

By L. EDGAR PRINA
Copley News Service

WASHINGTON — A year has passed since the Senate Intelligence Committee reported it could find no basis for concluding that William Joseph Casey Jr. was unfit to serve as director of Central Intelligence.

If that wasn't damning with faint praise it indicated that the committee had, as the Capitol Hill expression goes, only "a minimum of high regard" for him.

But if the committee were to make a judgment on Casey's job performance today, it almost certainly would be phrased in positive, favorable terms.

Even some of his severest critics, who personally don't like the gruff, sometimes abrasive New Yorker, acknowledge he has strengthened the CIA in his first 18 months as Lord of Langley.

"Despite the distrust of Casey, he is generally credited with doing a good job in beefing up the agency," an aide to one of the most critical senators said.

A strapping six-footer, the 69-year-old veteran of the Office of Strategic Services (OSS) in World War II, is on a roll. He is exhibiting the calm assurance of a man who loves his job and feels he's on top of it.

William Casey Jr.

Such was not the case when he was haled before the Senate committee to explain why he appointed the controversial and inexperienced Max C. Hugel as his deputy for clandestine operations and failed to provide all the information required of him on committee questionnaires.

Casey eventually conceded it was "a mistake" for which "I take full responsibility" to have appointed Hugel, who had by then resigned. And the director wound up telling the senators more about his own past business and government activities than they probably wanted to know.

Casey seems to be able to admit a mistake and learn from it. He agrees that he failed to devote sufficient attention to congressional relations after his confirmation sailed through the Senate 95 to 0 in January 1981.

He came across as a rather reluctant sharer of intelligence information with the oversight committees. Members of the Senate panel were particularly irked. Eventually, after Hugel business erupted, several committee members, including then Chairman Barry Goldwater, R-Ariz., suggested Casey should resign.

In recent months, however, Casey has made an effort to keep in closer touch. He now invites small groups of Senate and House committee members to discuss matters of mutual interest over breakfast.

Adm. Bobby R. Inman, who retired as CIA deputy director last month, called Casey a "good director," adding: "The only critical note that I would make, and I've made it to Bill, is that he needs to work harder on his congressional relations. That process also could be helped if some members of Congress went a little easier in their public rhetoric toward him."

Casey gave himself a handicap with the news media when he decided that the CIA once again would be "not a low-profile, but a no-profile agency."

No longer can a reporter simply call the agency's public affairs office and arrange a briefing by one of the hundreds of specialists at the CIA complex in nearby Langley, Va., as was the case during the Carter administration.

Such briefings are now relatively rare and are offered on a quid pro quo basis. If the reporter is going to travel abroad and agrees to share his insights and information upon his return, he will probably find that a specialist is available.

Unclassified CIA research reports on such things as Soviet oil production or U.S.S.R. arms transfers to Third World countries no longer are brought to the attention of interested reporters, nor mailed to them upon request.

In an address to agency employees, Casey said he believes the CIA will be more effective and more respected "if we cut down on hawking our wares" and concentrate of excellence in intelligence work.

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THE WASHINGTON POST
18 July 1982

Numbers Game Clouds Toll in Lebanon

'Battle Over the Truth' Rages

By Glenn Frankel
Washington Post Foreign Service

Senate Foreign Relations Chairman Charles Percy (R-Ill.) said in a hearing last Tuesday that U.S. intelligence officials had confirmed to him that 10,000 civilians had been killed in the Israeli invasion of Lebanon.

Two days later, State Department spokesman Dean Fischer told reporters that "there are no reliable figures available at this time." On Friday, congressional sources said privately that Central Intelligence Agency officials had told them in briefings that the figure was between 5,000 and 10,000.

Meanwhile, the Israeli government issued a new report putting civilian dead at 600, while Lebanese officials in Beirut said their count showed 18,000 killed.

And so the thicket of claims and counterclaims over the number of civilian dead grew more dense last week with the participants in the conflict and the United States compounding the confusion and uncertainty in what has emerged as the key issue in the debate over whether Israel's invasion was justified.

Widely disparate figures have been presented for civilian deaths, as well as for civilian wounded and refugees, and Israel and its opponents have accused each other of grossly distorting the body count for political purposes.

The numbers game thus has become the main ammunition in the other war that Israel and its opponents are waging—the propaganda war that Israeli Prime Minister Menachem Begin has called "a battle over the truth."

The United States has added to the fog by issuing conflicting accounts of the casualties. Percy said intelligence officials labeled as accurate an estimate of 10,000 civilian deaths that he first received from the Lebanese ambassador to the United Nations. Percy added that the "unconfirmed" estimate may be as high as 14,000.

Percy's executive assistant, Scott Cohen, said Friday that Walter J. Stoessel Jr., while acting secretary of state, had told Percy that the government "accepted" that figure, which has been used publicly by other senators, including Paul Tsongas (D-Mass.) and Claiborne Pell (D-R.I.).

Sources in the House of Representatives say the CIA gave them different figures—between 5,000 and 10,000. They said confusion may have arisen because the 10,000 figure included a CIA estimate that as many as 3,000 of those killed were combatants. But there appeared to be no way to verify independently the CIA's figures, nor determine on what they are based. Katherine Hall, a CIA spokeswoman, said yesterday the agency had no comment on the matter.

Sen. Patrick J. Leahy (D-Vt.), a member of the Senate Select Intelligence Committee, said yesterday that much of what he had been told in intelligence briefings had been "nothing more than a rehash of what was in the newspapers . . . . I've heard numbers all over the place depending on who's doing the briefing."

Many firsthand observers of the scene in southern Lebanon agree with Fischer that an accurate estimate is not possible. The mass movement of civilian populations fleeing the war, the possibility that large numbers of civilians who sought shelter in basements of buildings were buried alive in bombing and shelling attacks, the Moslem custom of burying the dead within 24 hours of death—all have been cited as reasons why no accurate total can be determined.

"You have to picture the scene of the entire population of South Lebanon fleeing back and forth across the landscape trying to get out of the battle zone," said Dr. Christopher Giannou, a Canadian surgeon and Palestinian supporter who worked in Sidon before his arrest by the Israelis last month. But Giannou, who later was released without charge, said at a press conference here last Friday that he was convinced from his own observation that the death toll in Sidon alone far exceeded Israel's claim for the entire operation.

Israel has buried large numbers of the dead in mass graves and spread lime over decomposing corpses. Israeli officials say those actions were taken for health reasons, but opponents say the burials also have been used to conceal the death toll.

American supporters of the Israeli military operation say that no matter how high the civilian losses, the invasion is justifiable because the Israeli Army has taken massive and unusual precautions—such as dropping leaflets on cities warning of attacks and allowing time for evacuations—to protect civilian lives and because the continuing presence of the Palestine Liberation Organization in Lebanon had led to civil strife causing the deaths of between 70,000 and 100,000 civilians during the past decade. They also blame the PLO for civilian deaths, asserting that PLO fighters used schools, hospitals and other civilian institutions for shelter from Israeli assaults.

"Even if the 10,000 figure is correct, as horrible and poignant as that would be, it has to be seen in the context of the terrible figures of the past," said Hyman Bookbinder, Washington representative for the American Jewish Committee. "Only history will judge—if this operation puts a final end to the killing in Lebanon, then it may prove worthwhile."

Israel's supporters concede that early estimates of high losses cost Israel some popular support and caused some longtime American Jewish supporters of Israel to oppose the invasion. Even more important, high civilian losses challenge the widely held belief in this country that Israel is a special nation with a moral mission, deserving of its special relationship with the United States and the massive military and economic aid it receives.

"For the Israelis what's at stake is their self-image both at home and abroad as a decent people," said Seymour Martin Lipset, a noted Jewish sociologist who has opposed the invasion.

Leahy said many congressmen, including himself, would weigh the numbers of civilian deaths in deciding their future attitude toward Israel. "It will have a direct bearing on a lot of foreign policy issues," he said.

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COMMENTARY
JULY 1982

Disinformation: Or, Why the C
Verify an Arms-Control Ag

Edward Jay Epstein

WHEN Secretary of Defense Caspar Weinberger revealed last April that the Soviet Union had achieved superiority over the United States in intercontinental missiles, he provoked a furor in Congress over the status of the nuclear balance. Weinberger's revelation also pointed to an intelligence failure of unprecedented proportions that extended back over two decades, and that cast a great shadow of doubt over the capacity of the United States to keep accurate track of the Soviet military arsenal and therefore to verify any arms-control agreement with the Soviet Union in the future.

In 1961, the Soviet Union, despite all its bluff and bluster, had deployed only four cumbersome and unreliable intercontinental missiles. U.S. intelligence had confidently asserted that there was no way the Soviet Union could ever deploy the number of missiles necessary to threaten the rapidly expanding American missile force without providing years of advance warning.

Such confidence then seemed fully warranted, as U.S. intelligence had through its technical wizardry found means of intercepting virtually all the Soviet missile-testing data, or telemetry, and of determining the accuracy of the missiles. It was on the basis of this powerful array of intelligence about Soviet activity that American leaders made crucial decisions throughout the 1960's concerning the number, location, and defense of America's missiles.

Yet in the event, these intelligence assumptions proved to be seriously flawed. Even though its missile testing was being relentlessly monitored by America's electronic sentinels in space and on land, the Soviet Union, *without* alerting U.S. intelligence, managed to develop—and deploy—missiles with multiple warheads accurate enough to attack the most hardened missile silos in the United States. How could such
been detected?

At first, explan[illegible] for this incredible intelligence failure tended to focus on the errors of the American analysts. The inability to see improved Soviet missile accuracy was attributed either to the prevailing disposition grossly to underestimate Soviet technical competence, or to incorrect assumptions about the method by which Soviet scientists tested missile accuracy. The fault, in other words, lay in self-deception.

However, when the data taken from the Soviet missiles were studied in retrospect, with the help of new and better methods of analysis, it appeared that considerably more was involved in the intelligence failure than American mistakes and self-deception. This reanalysis suggested that the Soviet Union had deliberately and systematically misled American intelligence by manipulating and "biasing," as it is called, the missile transmissions that were being intercepted. In other words, by channeling doctored data into our most sophisticated scientific spying devices, Soviet intelligence had duped the satellites and antennas on which American intelligence had come to depend. The Soviets had thereby effected a decisive change in the delicate balance of strategic missiles.

After nearly a decade of bitter debate within the secret world of intelligence, the deception issue still remains unresolved. Recently a plan was drawn up by the National Security Council staff to place technical as well as human spies under the scrutiny of a centralized counterintelligence authority. The proponents of this reorganization argue that without such an "all-source" unit, able to piece together information from secret agents, surveillance cameras, and the interception of coded messages and telemetry, the various intelligence-gathering services could again be easily deceived. The opponents of this plan in the American intelligence agencies doubt that the Soviets ever in fact orchestrated a massive deception of [illegible] sophisticated monitoring devices, and reject the proposed centralization as unnecessary and destructive of morale. The deep and intense divisions [illegible]

EDWARD JAY EPSTEIN writes often on issues of intelligence. Among his books in this field are *Legend: The Secret World of Lee Harvey Oswald* and *Inquest: The Warren Commission and* [illegible] contributed articles to the *New Yorker*, the New York *Times Magazine*, and COMMENTARY (including "The War Within the CIA," August 1978). Mr. Epstein's latest book

WALL STREET JOURNAL
16 JULY 1982

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ON PAGE 16

Casey's Shadows: A Greater Emphasis On CIA Analysis

In the huge marble entrance hall of the Central Intelligence Agency outside Washington, one wall bears the words, "And Ye Shall Know the Truth and the Truth Shall Make You Free." The wall opposite is inscribed with stars, "In Honor of Those Members of the CIA Who Gave Their Lives in the Service of Their Country." Below the stars, a glass display case holds a book in which each star is followed by the name of the slain CIA member it stands for. Some of the stars have only blank spaces beside them, to mark the names that will never be revealed.

This dual commitment, to secrecy and to knowledge, is the hallmark of a government intelligence agency. Most of our attention to the CIA in the past decade has been concentrated on the secrecy part. But CIA Director William Casey, in a recent interview, wanted mainly to talk about what he was doing about the less glamorous and more important matter of how the agency analyzes and reports information.

He did say that the CIA was now active again in clandestine activities, albeit in post-Watergate style. "There's a lot of talk about my being trigger-happy," Mr. Casey defended himself, "but lots of the little countries of the world are under pressure"

Capital Chronicle

by Suzanne Garment

from Soviet-backed forces. "We've gotten out of the business of security assistance, but we're doing lots for them in fields like communications.

"For instance, we helped in the El Salvador election. In Honduras, we put people through school and gave them instruments that can detect how much metal a truck is carrying. Some countries we help just with photographic information, or sensors, or training for anti-terrorist forces. It's all done with local people and just a handful of officers."

But just as important was what was happening to intelligence analysis. The estimates program—the process by which the intelligence community, within the CIA and elsewhere, produces its major pieces of analysis—had been "way down," Mr. Casey said, when he arrived. Part of the problem was simply money: In the seven or eight years prior to the last year of the Carter administration, the agency had "lost 50% of its people and 40% of its funding."

The problem wasn't just money, though. The program "wasn't timely," said Mr. Casey, "and it wasn't relevant. For instance, I asked for an estimate on the Cubans and their activities. I got it after two months—and it neglected to mention Cuba's relationship with the Soviet Union. I sent it back, and it took another while. I asked how long it had been in the works. It turned out that it was begun in June of 1980. It had gone through seven drafts—and the first one was the best."

Moreover, the estimates were too narrow in scope: "They were doing these estimates on a country-by-country basis. They would do one on Nicaragua, Honduras, El Salvador. But no one was looking at the regional interplay among these countries. And no one was concentrating on the economic component of these situations. In 20 years, we had put only five estimates on the Soviet economy.

"We've got the estimating process streamlined," Mr. Casey said. Instead of the compromising and papering-over of differences that used to go on at the lower levels of the bureaucracy when an estimate was prepared, "we now have the chiefs of all the agencies comprising the intelligence community making the decisions." The issues, as one aide to Mr. Casey put it, are drawn more clearly under the new system. They are made clearer still by Mr. Casey's certainty that "I'm the one responsible for the estimate, and for giving a fair reflection of alternative views."

Mr. Casey has also made some major changes in the way the agency does its short-term analysis. He's taken the people in the analytic sections—who used to be divided up into categories like scientific affairs, societal affairs and strategic affairs—and put them into new sections organized along geographic lines. That way, he said, they have a better chance of producing information that is immediately useful to policymakers. He has also established new analysis centers on two topics of current interest, technology transfer and "insurgency and instability."

Finally, the daily briefing procedure has been changed. Now high officials don't merely get a package of written materials sent over by the agency. Instead they hear a presentation from a briefing officer. He then reports back to headquarters on what types of questions the officials asked and if there might be a need for more of certain kinds of information.

These changes in the way the CIA handles intelligence are all of a piece. They are designed to make disputes in the intelligence community more visible, produce information on the politicians' timetable, reorganize the analysts to make their product conform more closely to decision makers' needs and tighten the day-to-day connection between high government officials and the agency. If they work, they will make the CIA more relevant. They will also make the agency more political, by forcing analysts to attune themselves more closely to the schedules and agendas of the politicians who are their customers.

Mr. Casey's strategy is guaranteed to provoke resistance, but its "political" nature is precisely what makes it promising. After all, it is hard to give a decision maker a good answer unless you are willing to find out what his question is.

NEW YORK NEWS-WORLD
7 July 1982

U.S. paying the price for spy folly

President Reagan has insisted twice that the administration was caught completely off guard by Israel's massive invasion of Lebanon on June 6. If so, there ought to be more than a few red faces at the Central Intelligence Agency.

If the CIA cannot detect the telltale signs of an imminent invasion involving tens of thousands of massed Israeli troops, a partial call-up of reservists, and the movement of several thousand tanks, armored vehicles, artillery pieces and hundreds of aircraft, something is seriously wrong with America's intelligence community.

And, in fact, something *is* wrong. This most recent failure of intelligence — made all the more inexcusable by the fact that Israel is an open society and a de facto ally of the United States — is but the latest in a dismal series. Six months ago, the administration was caught similarly unaware by a declaration of martial law in Poland that had obviously been planned months in advance.

In December 1979, the Carter administration was totally surprised by the Soviet invasion of Afghanistan — an act of premeditated aggression carried out by five Soviet army divisions and requiring a lengthy mobilization along the Soviet-Afghan frontier. And a year before that, the CIA had remained blissfully ignorant of the revolutionary storm that would shortly depose America's closest ally in the strategically vital Persian Gulf region.

It is hardly a coincidence that these glaring intelligence lapses followed closely on the heels of the Carter administration's decision to de-emphasize the collection of so-called "human-source" intelligence, known in the trade as HUMINT.

Carter's CIA director, Adm. Stansfield Turner, dutifully purged the agency's HUMINT branch by summarily dismissing more than 800 senior intelligence officers responsible for managing the clandestine collection of intelligence in foreign countries.

The staggering damage inflicted by these wholesale firings has never been repaired, and probably cannot be made good for years to come. Nor have the resulting intelligence gaps been filled, as anticipated, by such electronic intelligence-gathering means as photo reconnaissance from satellites and aircraft and the monitoring of radio transmissions.

One example in particular suggests the terrible cost of the Carter-Turner purge. It has been reliably reported that a full year after the Soviet invasion of Afghanistan, not one CIA officer in that country could speak Russian! The thought of an agency case officer attempting to recruit Soviet agents through a translator would be laughable were it not so pathetic.

Last month, President Reagan went to CIA headquarters in Langley, Va., to sign legislation making it a crime to knowingly reveal the identity of a clandestine American agent. Reagan assured the assembled CIA employees that they were on the "winning side" in the East-West struggle.

The president and his CIA director, William Casey, could lend added credence to that prediction by redoubling efforts to rebuild the still-shattered clandestine service.

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ON PAGE A-1

NEW YORK TIMES
21 JUNE 1982

Effort to Halt Spread of A-Arms Said to Falter

By JUDITH MILLER
Special to The New York Times

WASHINGTON, June 20 — United States officials and nuclear policy specialists fear that they may be losing a 35-year-old battle to curb the spread of nuclear weapons.

Critics of the Reagan Administration say the White House has placed insufficient emphasis on stopping nuclear proliferation. A policy put forth in a paper approved last month by President Reagan, they argue, will lead to increased distribution of plutonium, a material used in nuclear weapons, which will undermine efforts to slow the spread of atomic arms.

Administration officials deny that this will be the effect of the policy. But officials and private analysts agree that efforts to discourage the spread of nuclear arms have been severely complicated by growing international and regional tensions that put pressure on nations such as Israel and Argentina to develop and test atomic devices.

Robert H. Kupperman, a nuclear specialist at Georgetown University's Center for Strategic and International Studies, said with reference to the Israeli invasion of Lebanon and the British-Argentine fighting in the Falklands:

"We had better start thinking not just about how to stop nations from getting nuclear weapons, but how to stop them from using the weapons they will inevitably get."

"The emergence of some new nuclear powers is unavoidable," concluded Lewis A. Dunn in a book published soon after he joined the Administration as special assistant to Under Secretary of State Richard T. Kennedy, a central figure in nuclear policy matters.

Many nuclear specialists have increasingly begun to focus on "managing" a world in which many nations have nuclear weapons, rather than on preventing the spread of the weapons.

But the Reagan Administration remains officially committed to preventing the spread. In Senate testimony last month, Mr. Kennedy called this a "fundamental commitment."

Toward that goal, the Administration has emphasized measures to allay political and military security concerns of countries and to enhance regional stability.

U.N. Aide Backs U.S. Stand

This approach has been criticized by several Congressional nuclear policy specialists. But it has been warmly endorsed by, among others, Hans Blix, director general of the International Atomic Energy Agency, the United Nations organization in Vienna that promotes atomic energy and monitors nuclear facilities to verify that they are not being used for military purposes.

Mr. Blix has repeatedly voiced concern that India, Israel, Pakistan and South Africa refused to sign the 1970 treaty that became the cornerstone of efforts to halt the spread of nuclear weapons.

"The alarm bells are ringing loud and clear with respect to these four," Mr. Blix said early this year.

Under the treaty, 116 nations have forsworn nuclear weapons; 45 have not.

Causes for Nuclear Worry

Nuclear policy specialists say these other alarms are sounding, if somewhat more softly:

¶No country capable of developing atomic weapons has acceded to the treaty in the last five years. Switzerland was the most recent.

¶The International Atomic Energy Agency has become increasingly polarized and politicized, as have many other United Nations organizations. Some Government analysts fear that growing political confrontations between Western industrialized countries and developing nations could eventually undermine the agency's system of international safeguards, such as inspections.

¶Israel's attack on an Iraqi research reactor a year ago weakened the International Atomic Energy Agency's ability to safeguard nuclear facilities ostensibly designed for peaceful purposes. The air strike touched off a debate on whether the agency was capable of quickly detecting a diversion of nuclear material from a facility. The dispute has further shaken international confidence in the agency.

¶A sagging demand for energy has triggered a slump in sales of nuclear reactors and a decline in the growth of nuclear power. This, in turn, has increased strains on the international system of export controls aimed at slowing the spread of sensitive technology to countries that might be trying to develop nuclear weapons.

¶Growing sophistication of terrorist groups and a spread of "mininukes" has increased the threat of nuclear ter[illegible] Administration officials say. The Central Intelligence Agency has concluded, for example, that in Europe there is a "moderate likelihood" that there could be an attempt to damage a nuclear weapons storage facility, to attack a weapon in transit, to raid a nuclear power plant or to carry out blackmail by threatening to use a nuclear weapon or by pretending to have one.

¶Lack of progress on arms control agreements between the United States and the Soviet Union has led to a surge in nuclear weapons arsenals and destructive ability. This, in turn, encourages nonnuclear nations to develop a nuclear ability, Mr. Blix and other specialists contend.

U.S. Concerned by Argentina

The conflict over the Falkland Islands focused Administration concern on Argentina. While there have been no startlingly new developments in Argentina's nuclear program, now in its 31st year, some Administration officials fear that the conflict with Britain may prompt Argentina to build a nuclear bomb, especially since the Falkland surrender caused a loss of face for Buenos Aires.

The Central Intelligence Agency has estimated that Argentina could build an atomic bomb in three to five years if it chose to do so. A new report prepared by the Congressional Research Service concludes that Argentina would be able to test a nuclear explosive by the mid-1980's, "if it is willing to run the risks of getting caught at diverting safeguarded materials or of abrogating its safeguards agreements." But the report also states that Argentina could not produce an arsenal of weapons until the 1990's at the earliest.

Argentina poses a special problem not only because it has declined to sign the nonproliferation treaty or to submit all of its nuclear facilities to inspection, but also because it is building what is known as an "independent fuel cycle" — the ability to produce everything required for nuclear power. This would give Argentina the ability to make nuclear weapons quickly, without violating any safeguards agreements.

Bomb Helps Weak Feel Strong

"Nuclear tests are political statements, a country's way of showing that it has hair on its chest," said Warren H. Donnelly, a senior specialist at the Library of Congress and author of the report on Argentina. "So naturally there is concern about the growth of pressures that could lead a country like Ar[illegible]"

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THE NEW YORK TIMES
10 June 1982

Despite Foes and Skeptics, Administration Presses Ahead on Civil Defense

By JUDITH MILLER
Special to The New York Times

WASHINGTON, June 9 — Despite considerable public antipathy and professional skepticism, the Reagan Administration is pressing ahead with an ambitious civil defense program that it believes will make a nuclear war less likely and will minimize American casualties should such a war occur.

In March, President Reagan approved a seven-year, $4.3 billion program designed to evacuate up to two-thirds of the country's population deemed to be "at risk" to 3,040 sites in rural America. Those evacuated would come from about 400 areas near defense-related installations or from areas with more than 50,000 people.

The focus of the Reagan plan is evacuation, rather than the shelter-building favored in the 1960's.

White House officials said that they would decide this fall whether to ask Congress to expand the program by another $3 billion to protect the nation's key industrial facilities and workers.

Opposition to Providing Money

Over the years, civil defense has generated more political heat than it has Congressional funding.

Opponents say civil defense precautions will not save lives but do fuel the arms race and amount to a boondoggle for state and local contractors.

Proponents, on the other hand, maintain that the planning will save lives in the remote chance of nuclear war. They also say it enhances nuclear deterrence by persuading the Soviet Union that it could not destroy the United States population in a nuclear strike.

The Administration has requested $252.3 million for the fiscal year 1983, which begins in October, more than double the amount approved last year, but the increase faces stiff political opposition. The House Armed Services Committee approved the request, but its Senate counterpart cut it in half last month. The legislation has not been voted on by the full House or Senate.

In the Administration there is also a rift. Several military-minded officials favor increases for offensive weapons, rather than more money for civil defense, which constitutes about one one-thousandth of the Pentagon's budget request. Those officials predict that unless Congress is willing to approve the entire amount requested this year, civil defense proponents are unlikely to retain White House approval for a $7 billion program, despite strong support from the White House counselor, Edwin Meese 3d, and other senior officials.

Congressional resistance reflects public discomfort with the systematic consideration of how the nation could best survive a thermonuclear war. But spokesmen for the Federal Emergency Management Agency, the civilian agency that coordinates planning and relief for natural and military disasters, said that only a few jurisdictions had rejected evacuation plans.

Among these is New York, whose City Council voted yesterday to reject a plan to move city residents upstate.

James L. Holton, a spokesman for the emergency agency, said before the New York vote that 17 of 2,800 jurisdictions, including Philadelphia and Cambridge, Mass., had rejected relocation plans.

Outline of Russian Program

Louis O. Giuffrida, director of the emergency agency, which employs 2,000 people, said recently that the Soviet Union spent large sums on its "very serious" civil defense effort. The Russian program employs 116,000 people full time, provides shelters for most of the country's leaders and key industrial workers, and plans for mass evacuation, even on foot, from major cities, he added, quoting from a new Central Intelligence Agency estimate.

"The fact that they've been doing this for years indicates the confidence they have in their program," said Mr. Giuffrida, a friend of Mr. Meese's and a retired Army colonel who advised California on crisis plans before joining the Reagan Administration.

At the same time, however, Mr. Giuffrida and other Administration officials do not base their justification of the American program on the Soviet effort.

"Unless the Soviet Union dismantles every nuclear missile, our population will remain at risk," said John Brinkerhoff, the emergency management administration's associate director for plans and preparedness.

Similarly, Richard N. Perle, Assistant Secretary of Defense for International Security Policy, recently told a Senate subcommittee that he could not make "confident judgments about the efficacy of the Soviet program, or the beliefs held by the Soviet leadership of the efficacy of that program." But he defended the Administration's program on the ground that it might "help to dispel any possible delusions the Soviet leadership might harbor today or in the future that they can exploit the absence of any civil defense program here to deepen our sense of vulnerability and thereby intimidate the United States."

Privately, Administration officials said they had decided against making comparisons to the Soviet program to justify American civil defense planning, in part because of persistent skepticism in foreign policy and intelligence circles about the scope and effectiveness of the Soviet effort.

For example, Malcolm Toon and Thomas J. Watson, former American ambassadors to Moscow, repeatedly tried to evaluate the Russian program while serving there. They concluded that the country did not appear to have a program that could effectively shelter a large part of the population.

'Programs That Never Fly'

"The Soviets are very good at establishing lots of bureaus to work on projects that never fly," said Mr. Watson, the former chairman of the International Business Machines Corporation, who left Moscow in 1981.

"Their civil defense program is a turkey, as they are beginning to realize," said Adm. Noel Gayler, retired, former director of the National Security Agency and former Commander-in-Chief of United States forces in the Pacific.

According to intelligence sources, however, Russia spends considerable sums to insure that key personnel would survive a nuclear exchange.

"But it's a mistake," said William

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THE WASHINGTON POST
5 June 1982

LETTERS TO THE

The 'Smear' Smeare

I find it strange that The Post failed to tell its readers anything about the substance of the charges that TV Guide has leveled against CBS News and its attack on Gen. William C. Westmoreland in the documentary, "The Uncounted Enemy: A Vietnam Deception," though The Post ran a 2,200-word article by Tom Shales on the story ["The 'Smear' Controversy," Style, May 22].

Here are some of the things that TV Guide discovered, with the help of leaks from CBS staffers incensed by the violations of CBS News regulations and the rigged research that went into the program:

1. One of the chief witnesses against Gen. Westmoreland, Sam Adams, was paid $25,000 by CBS News and was given a rehearsal prior to his on-camera interview. CBS News standards require that all such interviews be spontaneous and unrehearsed except in rare cases, when approval is given by the head of CBS News, and the audience is informed that the interview was not spontaneous.

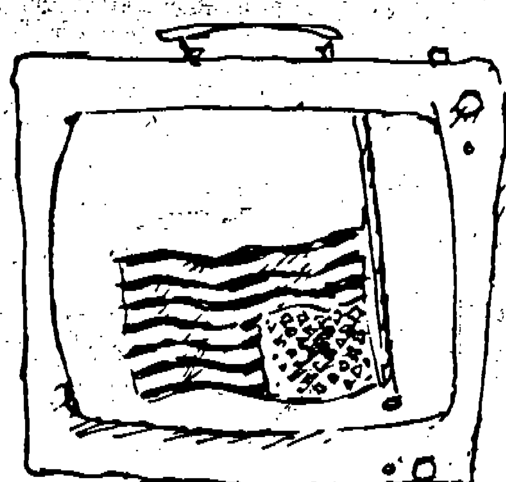
2. Gen. Westmoreland, when interviewed by Mike Wallace, said at least 10 times that the number of Vietcong thrown into the Tet offensive proved that the Army's estimates of Vietcong strength were overstated, not understated, as the CBS program contended. That argument was not aired. Instead, Mr. Wallace told the viewers just the opposite.

3. Gen. Westmoreland was shown confidently asserting that the enemy infiltration rate from the north in the fall of 1967 was 20,000 a month, and Mr. Wallace used that to make the point that Gen. Westmoreland had falsified the figures in 1967, when he had said the rate was around 7,000 a month. The full transcript of Gen. Westmoreland's interview shows that he expressed uncertainty about the figures and said he would have to check his records. He did so, and wrote to Mr. Wallace to say that the lower figure was correct. Mr. Wallace ignored the correction and used the incorrect figure to convict Gen. Westmoreland of lying.

4. Mr. Wallace explained to Gen. Westmoreland that he had not interviewed his top intelligence officer, Gen. P[illegible] in the case CBS was making, because Mr. Davidson was "very, very

5. CBS created the impression that Gen. Westmoreland had ordered his staff officers, who were negotiating order-of-battle estimates with the CIA, not to permit the estimate of enemy strength to go above 300,000. The head of the MACV delegation, Gen. George Godding, had told CBS that was not true, and Col. Gains Hawkins, one of the negotiators, told CBS four times that he had not been given any numerical ceiling. CBS used Mr. Hawkins and an officer who did not even represent Gen. Westmoreland's headquarters in an effort to buttress the charge that there was a ceiling.

6. The producer of the program, George Crile, had his mind made up



By Ohlsson

that Gen. Westmoreland was guilty of doctoring intelligence data before he began his investigation. He edited the interviews to support that view and killed entirely important interviews, such as the one with Walt W. Rostow, that demolished the argument.

Mr. Shales did not mention these or any of the other specific serious charges leveled against CBS News. Mr. Shales devoted 825 words to the fact that TV Guide is published by Walter Annenberg, a friend of Richard Nixon and Ronald Reagan, and to the supposed implications of that fact.

On a WRC talk show, Mr. Shales explained that he had not bothered to check out the accuracy of any of the stories presented on another CBS program, "People Like Us," because CBS News is a prestigious [illegible] to question its veracity. Apparently Mr. Shales believes that anyone who

graphs to a discussion of Walter Annenberg, the publisher of TV Guide. Mr. Shales tells us Mr. Annenberg is a "conservative millionaire," "a longtime devoted Republican," "bosom buddies with Richard Nixon" and "an intimate pal of Ronald Reagan."

What does all of this have to do with the merits of the argument presented in the TV Guide article under discussion? If articles in magazines or newspapers are to be judged not on their merits but on personal and political facts about their publishers, journalism as we know it would come to an end, replaced by a series of uninformative personal vendettas.

WILLIAM F. GAVIN
McLean

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As amazed as I was to read Mr. Shales' smugly suggestive and condescending piece on TV Guide's "Anatomy of a Smear," I was even more astounded that this drivel got by the editors.

After suffering through some six paragraphs of innuendo suggesting that the TV Guide article may be nothing but some sort of conspiratorial outgrowth of President Reagan's friendship with TV Guide publisher Walter Annenberg, Mr. Shales finally addresses the merits of the article.

More important, however, Mr. Shales' suggestive diatribe against the TV Guide article fails on two counts: it never addresses the article's specific criticisms of the CBS documentary on U.S. reporting of events in Vietnam, and it suffers from a narrow, self-centered view of investigative journalism. Mr. Shales complains that TV Guide's examination of the CBS documentary "may help bring about a chill on investigative" reporting. What does he think the TV Guide article was, anyway?

I'm afraid Mr. Shales wouldn't [illegible] investigative report anywhere—unless it came from the fashionable anti-government school of

THE NEW YORK DAILY NEWS
28 May 1982

CIA is Walloped on the Hill

By JOSEPH VOLZ

Washington (News Bureau)—Sen. Malcolm Wallop (R-Wyo.), a member of the Senate Intelligence Committee, yesterday accused CIA professionals of bungling one intelligence estimate after another over the last six years.

"On their watch, this country has suffered shock after shock, surprise after unpleasant surprise," Wallop told a committee hearing in the toughest critique of CIA intelligence-gathering capabilities by a committee member in years.

The occasion for Wallop's detailed blast at the CIA was a rare public session of the committee to consider the nomination of career CIA official John McMahon as deputy director of the agency, replacing Adm. Bobby Ray Inman, a congressional favorite, who is retiring. The committee voted unanimously to recommend McMahon's confirmation by the full Senate.

Wallop said that CIA professionals—of whom McMahon is one—"don't have a record they can be proud of," and he cited these examples:

• The American people has been "surprised by the size, scope and purpose of the Soviet military buildup" because of inaccurate intelligence.

• The CIA bungled the so-called Shadrin case, he charged. Nicholas Shadrin was a Soviet Navy captain who defected to the U.S. but was sent to Vienna seven years ago by the FBI and the CIA as a double agent to meet with Soviet spies. Shadrin disappeared after meeting with the Soviets and it was later learned that the CIA had not provided any surveillance of the meeting.

• CIA covert action proposals Wallop has seen "lead me above all to ask, so what? The agency may be able to carry them out, but do they make a difference?"

• The intelligence bureaucracy "appears to be digging its heels in against improving its performance," he said.

McMahon, who has been a CIA operative, both on the overt and covert side, since graduating from Holy Cross College in 1951, conceded that agency intelligence estimates "may have been wrong at times." He denied that misinformation forwarded to the White House was based on any CIA desire to "skew" the facts to fit the political beliefs of incumbent administrations. ■

AP

John McMahon before Senate committee looking into his nomination as deputy director of the CIA.

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ON PAGE A 10

THE WASHINGTON POST
24 May 1982

CIA Is Said to Increase Soviet Troop Estimates

Associated Press

The CIA has increased its estimate of Soviet military manpower by 1 million men to a new total of 5.8 million, Rep. Les Aspin (D-Wis.) said yesterday.

The new figure, however, reflects an improved estimate of Soviet noncombat troops assigned to construction, civil defense and internal security rather than an increase in fighting manpower, Aspin said.

"The larger estimate represents no increase in Soviet numerical strength and no increase in the CIA's estimate of what it refers to as the 'national security force.' Manpower in the combat services is still estimated at 4.3 million," he said.

"Some people are going to distort the new estimate to make the public think the Soviets are stronger, when really they have no additional military capability and all the newly discovered troops are doing the same stuff we thought they were doing with fewer people," he said.

"In fact, it underscores how inefficient the Soviets are—how the Russian forces get less kill for the kopek," he said.

CIA spokesman Dale Peterson said the agency would have no comment until it had been able to study Aspin's statement.

According to Aspin, the CIA's 1978 estimate putting total Soviet military manpower at 4.8 million counted 520,000 troops as non-combat forces.

The revised Soviet military total greatly outnumbers America's 2.1 million uniformed military personnel. But Aspin, a member of the House Armed Services Committee, noted that "under the all-volunteer force, the U.S. armed forces have begun learning to economize on uniformed manpower. Non-military jobs have been handed over to civilians."

"The Soviets still have conscription and pay their recruits 3.80 rubles (about $6) a month," he said. "They can afford to be profligate with manpower while the U.S. military cannot."

24 May 1982

National and International News in Brief

National

The CIA adds one million to its estimate of Soviet military manpower.

However, the increased estimate — to a new total of 5.8 million service personnel — reflects an improved estimate of Soviet noncombat troops rather than an increase in fighting manpower, Rep. Les Aspin (D., Wis.) said yesterday. "Some people are going to distort the new estimate to make the public think the Soviets are stronger, when really they have no additional military capability and all the newly discovered troops are doing the same stuff we thought they were doing with fewer people," Aspin said. Aspin, a member of the House Armed Services Committee, said many of the Soviet noncombat troops were assigned to construction, civil defense and internal security. A CIA spokesman said the agency would have no comment until it studied Aspin's statement.

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23 May 1982

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ASPIN-SOVIET MILITARY

FOR RELEASE AT 6:30 P.M. EDT

BY BARTON REPPERT

WASHINGTON (AP) -- THE CIA HAS INCREASED ITS ESTIMATE OF SOVIET MILITARY MANPOWER BY 1 MILLION MEN TO A NEW TOTAL OF 5.8 MILLION, REP. LES ASPIN, D-WIS., SAID SUNDAY.

THE ENTIRE BOOST, HOWEVER, REFLECTS AN IMPROVED ESTIMATE OF SOVIET NON-COMBAT TROOPS ASSIGNED TO CONSTRUCTION, CIVIL DEFENSE AND INTERNAL SECURITY RATHER THAN AN INCREASE IN FIGHTING MANPOWER, ASPIN SAID.

''THE LARGER ESTIMATE REPRESENTS NO INCREASE IN SOVIET NUMERICAL STRENGTH AND NO INCREASE IN THE CIA'S ESTIMATE OF WHAT IT REFERS TO AS THE 'NATIONAL SECURITY FORCE.' MANPOWER IN THE COMBAT SERVICES IS STILL ESTIMATED AT 4.3 MILLION,'' HE SAID.

ASPIN SAID THE CIA'S CHANGED ESTIMATE OF SOVIET MILITARY PERSONNEL WAS REMINISCENT OF THE AGENCY'S 1976 MOVE TO INCREASE THE ESTIMATE OF SOVIET DEFENSE SPENDING FROM 6-8 PERCENT OF GROSS NATIONAL PRODUCT UP TO 11-13 PERCENT OF SOVIET GNP.

''SOME PEOPLE ARE GOING TO DISTORT THE NEW ESTIMATE TO MAKE THE PUBLIC THINK THE SOVIETS ARE STRONGER, WHEN REALLY THEY HAVE NO ADDITIONAL MILITARY CAPABILITY AND ALL THE NEWLY DISCOVERED TROOPS ARE DOING THE SAME STUFF WE THOUGHT THEY WERE DOING WITH FEWER PEOPLE,'' HE SAID.

CIA SPOKESMAN DALE PETERSON SAID THE AGENCY WOULD HAVE NO COMMENT UNTIL IT HAD BEEN ABLE TO STUDY ASPIN'S STATEMENT.

ASPIN, A MEMBER OF THE HOUSE ARMED SERVICES COMMITTEE AND A FREQUENT PENTAGON CRITIC, SAID THE CIA'S ''DISCOVERY'' OF THE ADDITIONAL MILLION TROOPS ''DOESN'T POSE ANY THREAT TO US.

''IN FACT, IT UNDERSCORES HOW INEFFICIENT THE SOVIETS ARE -- HOW THE RUSSIAN FORCES GET LESS KILL FOR THE KOPEK,'' HE SAID.

ACCORDING TO ASPIN, THE CIA'S 1978 ESTIMATE PUTTING TOTAL SOVIET MILITARY MANPOWER AT 4.8 MILLION COUNTED 520,000 TROOPS AS NON-COMBAT FORCES.

THE NEW FIGURE, HE SAID, ESTIMATES SUCH SUPPORT AND AUXILIARY FORCES AT 1.5 MILLION -- 950,000 CONSTRUCTION AND RAILROAD TROOPS, 100,000 CIVIL DEFENSE TROOPS AND 450,000 INTERNAL SECURITY TROOPS.

THE REVISED SOVIET MILITARY TOTAL GREATLY OUTNUMBERS AMERICA'S 2.1 MILLION UNIFORMED MILITARY PERSONNEL, BUT ASPIN NOTED THAT ''UNDER THE ALL-VOLUNTEER FORCE, THE U.S. ARMED FORCES HAVE BEGUN LEARNING TO ECONOMIZE ON UNIFORMED MANPOWER. NON-MILITARY JOBS HAVE BEEN HANDED OVER TO CIVILIANS.''

''THE SOVIETS STILL HAVE CONSCRIPTION AND PAY THEIR RECRUITS 3.80 RUBLES (ABOUT $6) A MONTH,'' HE SAID. ''THEY CAN AFFORD TO BE PROFLIGATE WITH MANPOWER WHILE THE U.S. MILITARY CANNOT.''

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NEW YORK TIMES
14 MAY 1982

U.S. Ready to Ease Strain With Israel

By HEDRICK SMITH
Special to The New York Times

WASHINGTON, May 13 — The Reagan Administration is ready to move toward reviving the strategic cooperation agreement with Israel that President Reagan suspended after the Israeli annexation of the Golan Heights in December, according to high Administration officials.

Such an action would symbolize an important easing of political tensions between the Reagan Administration and the Government of Prime Minister Menachem Begin, after Israel's completion of its withdrawal from the Sinai Peninsula.

It would also presumably be intended to bolster American efforts to encourage Israeli restraint in southern Lebanon and Israeli moderation in talks with Egypt on Palestinian autonomy. Those talks have been stalled by Egyptian-Israeli differences over where the negotiations should be held.

U.S. Said to Want Talks

Senior Defense and State Department officials told Yehuda Ben Meir, Israel's Deputy Foreign Minister, this week that the Administration wanted serious talks with Ariel Sharon on putting into effect the strategic cooperation agreement when the Israeli Defense Minister visits here in 10 days.

One policy maker said renewed American interest in the agreement "does not imply" that the suspended memorandum on strategic cooperation "will be automatically reinstituted" during the Sharon visit. He and other officials declined to say whether Washington had preconditions for reinstituting the agreement.

But, in a shift of tone reflecting a more favorable American attitude toward the agreement, one high official said that "obviously at some point it's going to be implemented." The political atmosphere has improved enough, he said, for the Administration to be ready for serious talks on reviving the agreement.

The Administration has been pleased both that Israel carried out the Sinai withdrawal on schedule and that the Israeli Government has so far not ordered what Washington feared would be a major invasion of southern Lebanon to attack positions of the Palestine Liberation Organization.

Israeli and U.S. Aides Meet

Mr. Meir, deputy leader of the National Religious Party in the Israeli Parliament, held long talks here Tuesday and Wednesday with Deputy Defense Secretary Frank Carlucci and Lawrence S. Eagleburger, Under Secretary of State for Political Affairs.

Among other things, the Israeli Minister said afterward that the talks dealt with strategic cooperation and strategic concepts in the Middle East. He told Israeli reporters that he had "important information" from the United States Government to relay to Prime Minister Begin on the strategic cooperation agreement. But he declined to disclose the American message.

Israeli diplomats here were known to be encouraged by what they interpreted as American movement on the issue. But Israeli sources said Mr. Meir had been given no American commitment that the agreement would be revived, nor told that a firm American decision had been made.

The joint memorandum of understanding on strategic cooperation was signed last November and suspended by President Reagan on Dec. 18 because of American displeasure over the Israeli action in annexing the Golan Heights without advance consultation with Washington.

The suspension came after a series of Israeli actions, including the bombing of an Iraqi nuclear reactor and Palestinian areas around Beirut. The President and his senior advisers were known to be irked at those actions because of their adverse effect on American efforts to establish good relations with moderate Arab nations.

Misgivings on Both Sides

Each side has indicated misgivings about the precise language of the memorandum, and hence it may never be reinstituted in full. But the Israelis have particular interest in putting into effect several clauses that would bolster their military industry.

One arrangement would give Israel more flexibility in selling arms to other countries manufactured under license from American firms. A second would provide Israel a better opportunity to earn up to $200 million annually in military sales to American forces in the Middle East. A third provision would permit Israel to spend some American military credits on arms made in Israel rather than exclusively on American-made arms.

On the issue of ongoing American military sales to Israel, American and Israeli officials said Mr. Meir had differed with top United States officials over the relative military balance between Israel and its Arab neighbors.

On Wednesday, Mr. Meir gave Mr. Carlucci some Israeli estimates that contended that the quantitative advantage of Arab countries, including Egypt as well as Syria, Iraq, Jordan, Saudi Arabia, Libya and Algeria, had grown since the 1973 Egyptian-Israeli war.

4-to-1 Arab Advantage Seen

The basic Israeli assessment was that combined Arab combat units, tanks and military aircraft outnumbered comparable Israeli forces by 4 to 1 or better.

Mr. Carlucci responded with American intelligence estimates that, relatively speaking, the ratios had improved in Israel's favor since 1973, even including Egypt in the Arab category.

Mr. Carlucci gave the Israeli leader a brief paper, showing that in 1973, Arab combat units outnumbered Israeli units by 3 to 1 and that in tanks and combat aircraft the Arab advantage was 2.4 to 1. The paper showed that in 1981 and 1982 the ratios were either the same or lower, according to American estimates.

One reason for the discrepancy in American and Israeli estimates, United States officials say, is that the Israelis include the full armed forces of the Arab countries whereas American intelligence analysts presume that Arab countries that do not border Israel, like Libya and Algeria, would commit only part of their forces in a conflict.

THE BALTIMORE EVENING SUN
16 April 1982

Massive ills await next Soviet boss

By Cord Meyer

WASHINGTON

ONE CLEAR SIGNAL that Leonid Brezhnev's days may be numbered as general secretary of the Soviet Communist Party is the widening spread of rumors about the succession coming from well-placed sources in Moscow.

After fruitlessly studying for years the inpenetrable facade of the Kremlin for fissures in its power structure, both American and European experts are suddenly swamped with political gossip that indicates Brezhnev's potential successors have begun to jockey for position.

Typical is a report from a well-positioned French source that claims Yuri Andropov, the KGB chief, is conspiring with the Soviet military to block Brezhnev's preferred candidate, Konstantin Chernenko. Charges that Brezhnev is becoming increasingly senile are dramatized by stories that he is regularly consulting a woman hypnotist.

Recognizing that it has a poor track record in predicting Russian power struggles, the CIA is not attempting to pick the ultimate winner, but believes that one of Brezhnev's old cronies like Chernenko is likely to serve as a caretaker while the real fight for the long-term succession takes place between younger men.

If the identity of Brezhnev's eventual successor is in doubt, the problems he will face are not. In fact, bloated military expenditures, declining productivity and disastrous agricultural practices present whoever rules Russia with appalling difficulties and dilemmas.

Consider for example the basic difficulty of providing the Soviet population this year with an adequate food supply. Although Moscow has attempted to keep secret the figures for 1981 grain production, they are beginning to leak out in public statements by lower-ranking officials. U.S. experts now agree that last year's Russian grain output was about 80 million tons below the target.

Since the Soviets can at most import 45 million tons of grain per year because of their limited port and transportation capacity, this year imported grain, which is mostly fed to livestock, will inevitably be more than 30 million tons short. The Soviet farmers will have to try to keep their herds alive on starvation rations.

As a result, the Russian consumer faces longer queues for less meat, and other staples like potatoes are in very short supply. Even for the long-suffering Russian people, there is a point where hungry food lines can lead to riots, and there have already been work stoppages.

Although bad luck with the weather has magnified its consequences, the basic deficiency of Soviet agriculture remains the absence of incentives on the collective farms. The solution is staring Brezhnev's successor in the face. Private plots occupy 1.5 percent of Soviet farmland but produce 30 percent of the meat, milk and eggs and 60 percent of the potatoes. But if a new ruler of Russia tries to greatly expand the private plots, he will be condemned by party ideologues and opposed by the secret police who fear the political threat of a self-sufficient farming class.

Similarly, it is fear of losing party control over any significant segment of society that has led Brezhnev to strangle the growth of an independent labor movement and to prevent the decentralization of economic planning.

The external dilemma that Brezhnev bequeaths to his heir is the rising cost of empire. In strictly monetary terms, the CIA now estimates at about $25 billion the net annual cost to the Kremlin of maintaining its surrogates in power in Eastern Europe, Cuba and Vietnam, not to mention the high political cost of Polish and Afghan repression.

By selling oil and gold at declining prices, the Soviets have managed, so far, to pay this bill. But if Western Europe can be persuaded not to bail out the Soviet economy with subsidized credit, the time is coming when the Soviet leaders will have to either cut their foreign commitments and military spending or face the risk of an internal explosion.

Presented with these hard choices, there's always the danger that Brezhnev's heir will react as the Argentine dictators have and seek in new foreign conquests a nationalistic diversion from domestic trouble. The economic and political vulnerabilities of the Soviet system are real but so is its military strength. We forget this at our peril.

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SCIENCE
2 April 1982

An Upheaval in U.S. Strategic Thoug

Narrow thinking about Soviet m created a drive fo

The Soviet tests began in the autumn of 1977 and created considerable anxiety at the Pentagon and the White House. A series of intercontinental ballistic missiles was launched from Tyuratam, a remote spot in the Soviet desert, and aimed at a target area on Kamchatka Peninsula 4000 miles away. To the surprise of U.S. intelligence analysts, the missiles appeared to fly with extraordinary precision, achieving roughly twice the accuracy possible several years earlier. It was an important technical achievement, because it meant that the Soviets possessed—for the first time—the means to threaten destruction of the nuclear missiles based on land in the United States.

The Reagan Administration is the third to grapple directly with the technical and political ramifications of potential Soviet accuracy. The two previous administrations tried at first to forestall it through arms negotiations. When these proved unsuccessful, they turned to the engineers. Three ideas were given legislative sanction: one, that a new missile, the MX, would be constructed to replace the existing Minuteman missiles; two, the MX would be made accurate enough to threaten Soviet land-based missiles; and three, the MX would be hidden in order to protect it from attack. The Reagan Administration has endorsed these objectives and added a strategic package of cruise missiles, bombers, and submarine-based missiles that will cost more than $220 billion over the next 5 years.

Together, these new weapons are supposed to diminish the prospect of a Soviet strike against the United States. More significantly, according to Administration officials, they will serve as the backbone in American foreign policy, permitting the country to defend more vigorously the interests of itself and its allies.

Although these plans have been circulating for a long time in American domestic politics, what finally propelled them forward was the 1977 and 1978 tests. Part of the reason that the tests had this effect is that they caught the West by surprise. The shock made the achievement of accuracy seem more threatening than it was. Previously, the Central Intelligence Agency (CIA) had forecast that the achievement would require the construction of an entirely new generation of missiles. The forecast led directly to American arms control proposals aimed at slowing the pace of missile development, and to the somewhat leisurely pace at which the U.S. Air Force was looking for a way to protect its missiles. Instead, as the tests revealed, the Soviets merely attached a new final stage to their huge existing missiles, the SS-18 and the SS-19. Alarms were quickly sounded in Washington, and the pace of the search for missile protection quickened considerably.

Details of the tests came from satellites and U.S. intelligence devices near Soviet borders. The first signs of a test launch from the Tyuratam Missile Test Center, 75 miles west of the Aral Sea, were picked up overhead by a USA-67 satellite, equipped with an infrared telescope and a visible light sensor especially attuned to rocket firings. The initial portions of each test were then monitored by two radars situated to the south in prerevolutionary Iran, at Klarabad and Kabkan. Warhead separation and reentry was tracked by an enormous Air Force radar on Shemya Island, an outpost in the Aleutian chain about 450 miles from Kamchatka. Missile maneuvers were plotted and then matched with data broadcast from guidance computers and intercepted overhead by an Air Force Rhyolite satellite. Warhead landing spots may have been photographed by an Air Force Key Hole satellite, equipped with cameras reportedly capable of resolution to 8 inches. Data from the satellites were relayed to the United States via CIA stations at Guam and in the Australian desert, the latter of which is reportedly capable of intercepting missile computer data itself.

Even with these sophisticated devices, the estimation of Soviet accuracy was difficult. For one thing, useful intelligence could not always be collected. The Soviets learned about the U.S. capability to intercept its VHF and microwave missile testing transmissions in 1977, and on two occasions in 1978, it broadcast the data in undecipherable code. One source says that the Soviets also tried to conceal warhead landing spots by creating false craters on Kamchatka.

The estimation of accuracy was also handicapped because the United States could not always discern the actual Soviet missile targets. Accuracy is measured by firing a number of missiles at the same target, calculating the dispersal around the mean impact point, and then adjusting this figure according to the distance between the mean and the actual target, a distance generally known as bias. Several analysts say that, without knowing where the target is, the intelligence community is forced to make an educated guess at this last adjustment.

Needless to say, those who prepare the estimates are confident that they are correct. Albert Wheelon, a senior executive at the Hughes Aircraft Corporation and a former CIA missile analyst, says that long experience with U.S. tests and detailed information on potential sources

Early this year, the U.S. land-based force of nuclear missiles became vulnerable to a preemptive attack by the Soviet Union, as the Soviets deployed a large number of highly accurate warheads on their own missiles. They first demonstrated this capability in 1977. Since then, U.S. missile vulnerability has come to assume great importance in superpower relations. Western observers have portrayed the Soviet achievement as a sign of aggression, and made missile vulnerability into a symbol of declining American military strength. The government has proposed a vast military buildup of nuclear weapons, supposedly made necessary by this new threat. But the public is increasingly skeptical, and support for some form of arms control is growing.

The first article in this series examines how the United States learned of the Soviet accuracy, and why it caused such great alarm. The next article will examine the Reagan Administration's response to this threat.

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INTERNATIONAL SECURITY
Spring 1982

Soviet Military Spending: Assessing the Numbers Game

Franklyn D. Holzman

Because it is impossible to add tanks and planes, strategic forces and tactical forces, men and missiles without the use of money, total military expenditures have become the most generally-used indicator of overall military effort and effectiveness. So, for example, President Reagan launched his case for increased military spending in his February 1981 State of the Union Message with the statement: "Since 1970 the Soviet Union has invested $300 billion more in its military forces than we have." Further, Americans regularly read in the news media that the Soviet Union outspent us on defense last year by 50 percent.

These figures were estimated by the CIA. The CIA also tells us that the Soviet Union is spending 12–14 percent of its GNP in comparison with America's 5–6 percent and that Soviet military expenditures have been growing faster than those of the United States over the past decade. One need not feel that these types of estimates are very good grounds upon which to base U.S. military planning in order to concede that they have an important impact on U.S. policies.

Because the Soviet Union does not publish reliable information on its defense spending, the CIA's procedure is to estimate, by hook or crook, the quantities of men, tanks, missiles, ammunition, and so forth of everything purchased each year by the Ministry of Defense. These items are then valued in dollar or ruble prices, as the case may be. In these exercises, the CIA encounters many problems, the solutions to which have not always been acceptable to its critics. A major problem—the so-called index number problem—is a case in point, and is the subject of this article.

Representatives of the CIA, both orally and in print, have attempted to rebut the argument, presented in *International Security*,[1] that the Agency's published estimates significantly understate the index number effects and thereby overstate Soviet military expenditures relative to those of the United States. No one, to my knowledge, has even considered the impact of index number considerations on the CIA's ratio of Soviet military expenditures to GNP (ME/GNP) or on the rate of growth of Soviet military expenditures themselves.

In what follows, I will explain first, by means of a simple example, the nature of index number effects for those who are unfamiliar with the concept. Then, an attempt will be made to deal with the contentions of the CIA and others who minimize the relevance of index number effects to the Soviet–American military expenditure comparison. Further, I will advance the argument that the factors which overstate Soviet military expenditures relative to those of the United States also may cause an overstatement of the percentage of Soviet military expenditures to GNP. Finally, I will examine the effects of index number considerations on the growth of Soviet military expenditures (ME).

BALTIMORE SUN
17 March 1982

U.S. views move as divisive effort

By Charles W. Corddry
Washington Bureau of The Sun

Washington—The Reagan administration denounced Soviet President Leonid I. Brezhnev's missile freeze yesterday as a propaganda gesture to divide the Western alliance and a move to ensure a Soviet monopoly of medium-range rockets in Europe.

In an escalating battle for public opinion on the nuclear-missile issue, the administration swiftly mounted a full-scale attack on the Brezhnev move in an effort to head off any political advantage for Moscow.

President Reagan renewed his proposal for the so-called "zero option"—no medium-range missiles on either side in Europe—and challenged Mr. Brezhnev to "join in real arms reduction."

Several officials said privately that the public opinion battle—unlike any in previous nuclear negotiations—likely will have as much to do with shaping a missile limitation agreement for Europe as will the diplomats at the bargaining table in Geneva.

Mr. Brezhnev's decision "simply isn't good enough," President Reagan said in a speech to the Oklahoma Legislature. "It doesn't go far enough."

This was one of the calmest reactions heard as one official after another undertook to show how the move would work entirely to Moscow's advantage and was designed to deprive the West of any missiles countering the Soviet SS-20s.

In saying he was freezing SS-20s at present levels in European Russia—west of the Urals—Mr. Brezhnev was "repackaging a basic idea" followed ever since the North Atlantic Treaty Organization began to consider deploying 572 American missiles as a counterweight, an official said.

In an effort to stir European opposition to the plan, Mr. Brezhnev first said he would not negotiate if it were adopted (as it was in December, 1979), then proposed a missile moratorium, then agreed to talks and has now announced a freeze west of the Urals.

All these efforts, officials said, were designed to prevent the deployment, starting in 1983, of 108 Pershing-2 rockets in West Germany and 464 cruise missiles in five European countries. Each of the missiles would carry a single nuclear warhead.

Intelligence here estimates that Moscow has 300 SS-20 missiles, each armed with three nuclear warheads, comprising a force that can dominate the Eurasian landmass.

Moscow contends there is a balance between East and West in the so-called intermediate-range nuclear forces. Among the official replies yesterday was a State Department contention that if there was a balance in 1979—when Mr. Brezhnev first claimed it—there can't still be. No Western missiles have been deployed and the Soviet Union is estimated to have tripled the SS-20 force in the intervening period.

It is as if, presidential counselor Edwin W. Meese III said yesterday, "two-thirds of the way through a football game one side is ahead 50 to 10, or 50 to 0 as it would be in this case, and then they want to freeze the score for the rest of the game."

The administration's strong and vivid reactions, sustained through the day, seemed to show clearly an awareness that Moscow might gain some propaganda points and that this possibility must be nipped.

Thus, a senior State Department official undertook to make these points at a press briefing:

- The Brezhnev move had a "primary purpose" of derailing NATO's missile-deployment plan and of continuing the Soviet Union's "monopoly" of mid-range missiles.
- It was designed to deny the Atlantic alliance a means of responding to the SS-20 threat and, as well, to prevent "equitable arms-control agreements."
- The move clearly was meant to "achieve a political effect." The United States does not expect that effect—European interest in the Brezhnev plan—to be achieved. The American negotiating position at the Geneva talks—now in a two-month recess—has alliance-wide support.

Mr. Brezhnev's "fairly transparent ploy to divide the alliance," the official contended, "reflects the frustration the Soviets are experiencing in not being able to shake our position."

The official took note of the "threatening signs" in the Brezhnev speech—references to "retaliatory steps" the Soviet Union would take if the American missiles are deployed in Europe.

It was not clear where the Soviet president meant he might deploy new weapons, the official said, but if he meant Cuba, that would be a "clear violation" of understandings going back to the Cuban missile crisis of 1962. "I don't think I need to say more" on that point, he said.

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CHRISTIAN SCIENCE MONITOR
18 February 1982

Can you catch a falling Shah?

By David D. Newsom

The documents captured in the American Embassy in Iran, now being published in some parts of the United States press, again raise the question, "If we knew the Shah was in trouble, why didn't we do something?"

From the documents it is clear that the Foreign Service reporting from the embassy was telling increasingly of growing opposition to the Pahlavi regime, not only among religious leaders but among bazaaris and middle-class groups as well. The handwriting seemed clear.

The hard question is not "Why didn't we do something?" The more difficult question is "What could we have done?" In most situations of this kind, there is no dearth of intelligence reaching the president. There is only a dearth of solutions.

There is probably no more agonizing foreign policy problem facing a president than dealing with a friendly regime in trouble. The issue is even more aggravating when the US is, as in the case of the Shah, closely identified with both the person and the regime.

In Iran the stakes were high, strategically, politically, and economically. The Gulf states were watching Iran; they were watching the response of the US. Oil was always a factor. No president could be unmindful of the domestic US political consequences of the collapse of a major regional ally.

The first problem a president faces is to evaluate the information. The Foreign Service and CIA reporting may be only part of the information he is receiving. In the case of Iran, there were conflicting reports on the cohesion and readiness of the military, a key element in the Iranian political picture. Adherents of the Shah were discounting reports of opposition to him. Within the US government, components of the intelligence community could not agree on the conclusions of a national intelligence estimate during the critical months before the Shah's collapse. Presidents and their advisers, further, are often suspicious of Foreign Service reporting which they feel may be too sympathetic with opposition elements.

Even if a president should conclude that a friendly regime is in deep trouble, what are the options open to him?

He can talk with the ruler about his internal situation. The chances are that the ruler will be less than candid, will seek to portray reports of unrest as either exaggerated or as evidence of a communist plot. There is the risk that the US government will be asked for a level and type of support it cannot provide.

He can make suggestions to the ruler in trouble. To do so could lead to greater involvement. Suggestions for further democratization or reforms either may be too late or may add to the pressures against the regime. Suggestions of harsh repressive actions could risk strong oppostion in the US and further identify the US with the worst features of a failing regime.

Talks can be opened with close foreign allies about the situation in the country in question. Efforts might be made to mediate with moderate opposition groups. Concerted action with allies is possible, however, only if the respective estimates of the situation are close. The allies are frequently less enthusiastic about active involvement than we. Perhaps the minimum possible is to discuss contingencies in the event of a total collapse.

Military measures by the US are one possible option. The movement of a naval force or the sending of an air unit on a visit might serve to show support for the ruler at a critical time and to deter actions against him. Such moves, at the same time, run the risk of exacerbating a situation which may already be getting out of control.

In some situations, foreign rulers may feel that a change of attitude on the part of the US toward a regional problem can help that ruler's chances. Arab leaders in difficulty have often pled for a change in US policy toward the Arab-Israeli problem. US presidents have generally expressed doubt that changes in American policy are likely to help a foreign ruler already in trouble — even if such changes in policy were possible.

A president, conceivably, could take another tack. He could conclude, on the basis of intelligence reaching him, that the regime could not survive or, at least, that its chances were slim. He could begin preparing for the future by opening talks, either through overt or covert means, with future leadership. Such talks would almost certainly be known to the ruler. If they were not a part of our earlier pattern, they would send a signal of lessened confidence. The action would be likely to cloud our dialogue with the ruler at a critical time.

Any presidential action at such a time faces the almost certain likelihood that it will become public. Public knowledge of a change in the attitude or policy of the US may accelerate forces and bring on the very results this country is seeking to prevent.

The cases are hard to recite in which the US has successfully saved a foreign ruler beset by internal weaknesses and rising disorders. There are many cases where regimes with which the US was closely identified could not be saved. The reason lay much less in the absence of pertinent intelligence than it did in the absence of viable ways to deal with the situation described by the intelligence.

David D. Newsom, former US under secretary of state for political affairs, is director of administration and programs at the Institute for the Study of Diplomacy at Georgetown University.

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BALTIMORE SUN
17 February 1982

Superficial, Shallow Press

Editor: Several *New York Times* syndicated articles on the Salvadoran rebels appearing in *The Sun* prompt this writer to protest that they represent shallow, superficial reporting. They are probably as misleading as the *Times* coverage of the Cuban revolution, by their "Man in Havana," Herbert Matthews.

Most Americans, including many news media people, know little about Latin America and care even less. It was partially for that reason and because we usually root for the underdog that so many of us misread Castro's intent. And Cuba is just 90 miles from our shore. El Salvador is much more remote.

We should recall that the *Times* reports on Castro by Mr. Matthews, who was with him in the Sierra Maestra mountains, led U.S. opinion to favor Fidel. At the time, when U.S. intelligence reports showed otherwise, the *Times* presented the guerrillas as the good guys fighting for national liberation and democracy. Some liberation! Some democracy! The *Times* should have known better. Matthews had covered the Spanish Civil War from the leftist Republican side, where he had ample opportunity to observe the machinations of the Communi[illegible].

Present coverage of Latin America by U.S. correspondents very often favors leftist causes, while ignoring that Communist totalitarian governments invariably violate everyone's human rights. While this is not to say that Latin American authoritarian dictatorships are respectful of such rights, they are generally more susceptible to being influenced to govern in a more benign manner by world opinion.

Having spent the better part of a decade in Latin America, working for the U.S. State Department and dealing directly with the public and the news media, this writer feels more secure in accepting U.S. intelligence estimates of the Salvadoran situation than the evaluations of liberal U.S. reporters, who are often naive and lack experience in that part of the world. And I am just as concerned over violations of human rights as is the liberal news media—but better aware of the realities of politics in countries where democracy is poorly understood by the masses.

Hopefully, representative, democratic governments will evolve in all of Latin America, but it will never happen under communism. Cuba is a typical example.

Let's not be snookered into supporting the wrong side in El Salvador, as we were in the cases of Cuba and Nicaragua. We deserve in-depth, balanced reporting from the news media.

Gil Crandall.

Annapolis.

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THE WASHINGTON POST
14 February 1982

The Imaginary Defense Gap: We Already Outspend Them

By Richard A. Stubbing

IF WHITE HOUSE tenants have long painted rosy economic pictures that rarely square with reality, those numbers have nothing on the doomsday reports we are treated to nowadays contending that the Soviet Union is overpowering us on defense.

We are told, for example, that we spend about 5 percent of our gross national product on defense, while the Soviets spend 12 to 14 percent on theirs. We are not reminded, of course, that our GNP is twice that of the Soviet Union's.

We are told that in 1980, the Soviets spent $175 billion, or 50 percent more than we did, on defense, or that over the past decade their military outlays outpaced ours by more than $300 billion. We are not reminded that defense spending comparisons in the real world include outlays of American and Soviet allies — those many other nations out there — and that the publicly available evidence in this area, as in others, tells a very different tale.

Studies by the prestigious International Institute for Strategic Studies (IISS), for example, show that the Soviets' Warsaw Pact allies spend roughly $20 billion to $30 billion annually on defense forces. Our NATO allies, by contrast, allocate three to four times that amount — more than $100 billion annually.

In other words, while this margin has no doubt been narrowing, the United States and its NATO allies outspent the Soviet Union and its Warsaw Pact allies on defense by more than $300 billion in the past decade.

In Asia, for example, the Soviets' principal allies are North Korea and Vietnam. North Korea spends about $3 billion annually for defense, and Vietnam probably spends something close to that. The principal U.S. allies — Japan, South Korea, Australia and New Zealand — spend nearly $20 billion.

This does not mean that Japan or others among our friends should not shoulder a larger share of allied defense spending, as some have argued, or that our own Pentagon outlays might not be increased to some extent as well. The issue is one of magnitude, of the immensity of defense spending increases proposed at the expense of all else, of the fears generated unnecessarily by incomplete information.

Consider what is behind a good deal of Kremlin spending. A significant portion of it in recent years has been aimed squarely at the People's Republic of China. Century-old border disputes between the two countries broke into open fighting in 1969, and in recent years China has improved long-dormant relations with the United States, Japan and other Western nations.

Americans can understand China's threat to Russia by considering the long-undefended border we share with Canada; a hostile nation with a 4 million-man military force on our northern border would change our defense emphasis quite rapidly. Published CIA estimates state that 10 to 15 percent of Soviet defense spending ($18 to $27 billion) is for units with a primary mission against China.

In short, recognizing the impact of NATO, Warsaw Pact, Asian allies and Soviet spending directed toward China and other factors transforms an alleged 50 percent Soviet spending advantage into a 15 to 37 percent edge for the United States. No cause for fright there.

□ □

Another critical element in dollar comparisons is the quality of our estimates of Soviet spending. Because Soviet defense data obviously are not available to us, the CIA develops its calculations by attempting to determine the cost to equip, man and operate the Russian military here in the United States — using U.S. market prices and wages. While this approach certainly provides a good indicator of trends in Soviet spending over time, its reliability on specific spending figures is questionable.

The CIA estimates, for instance, ignore the relative efficiency with which the U.S. and Soviet economies turn materials and labor into finished products. A Soviet factory producing artillery rounds may operate at 20 percent, 50 percent or 80 percent of the efficiency of a comparable U.S. plant, but this is not considered.

An even greater deficiency is the absence of an attempt to compare the net military value of Soviet products and services with those in the United States. For example, the relative value of Soviet vs. U.S. tanks or Soviet tanks vs. U.S. mines and anti-tank missiles to stop these tanks is not addressed.

In an unclassified report, the CIA asserts that its estimate of Soviet defense spending is accurate within 15 percent for each year of the 1970s. Perhaps — but a look at the problems in all four elements of the CIA estimate quickly calls that claim into question.

1. Soviet Manpower. Soviet troop strength is known with accuracy, and the CIA prices this force of low-wage conscripts at U.S. pay rates. One major error in applying this method is that every pay raise for U.S. military personnel widens the U.S.-U.S.S.R. spending gap simply because the Russians have more troops in uniform than we do. Eliminating this misleading way of assessing manpower costs would, by itself, eliminate *a quarter* of the 1980 spending "gap."

CONTINUED

RADIO TV REPORTS, INC.

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FOR PUBLIC AFFAIRS STAFF

PROGRAM PBS Late Night

STATION WETA TV
PBS Network

DATE February 11, 1982 12:30 AM

CITY Washington, DC

SUBJECT Interview with Frank Snepp

DENNIS WHOLEY: Frank Snepp is our guest right now. Frank is a former CIA agent. He was awarded the Medal of Merit for his work in Vietnam. His book "Decent Interval" calls the evacuation of Saigon a fiasco, and he criticizes the CIA for stupidity and mismanagement. The Justice Department sued, claiming that Snepp's book broke his secrecy agreement and caused harm to the national security. The Supreme Court upheld that ruling.

Kind of a broad question, putting it out on the table right now: Should former agents of the CIA be allowed to criticize the agency, or, in some cases, use their knowledge, their experience or their expertise in civilian life?

Good to have you here.

FRANK SNEPP: Thank you.

WHOLEY: The last four or five years, how has this book changed your life?

SNEPP: Well, it's changed my life in many ways. One thing, it has turned my name into an italicized synonym for government censorship. The Supreme Court ruling in my case, in fact, gives legitimacy, for the first time, to an American official secrets act.

In your introduction you left out one important fact about my situation, and that is, I was never accused of publishing any secrets in that book.

WHOLEY: True?

ARTICLE APPEARED
ON PAGE A-1

NEW YORK TIMES
4 FEBRUARY 1982

WEINBERGER SEEKS TO DECLARE POLES IN A DEBT DEFAULT

ADMINISTRATION IS DIVIDED

Aides Says Secretary Believes a Hard Line on Loans Can Block Soviet Pipeline

By HEDRICK SMITH
Special to The New York Times

WASHINGTON, Feb. 3—Secretary of Defense Caspar W. Weinberger reportedly intends to keep pressing to have Poland declared in default of its debts to the West and to have Western European nations halt their natural gas pipeline deal with Moscow.

On the recommendation of the State, Treasury and Agriculture Departments, President Reagan recently agreed to have the Administration pay American banks the $71 million owed them by Poland to forestall a declaration of default and the ensuing disruption of East-West economic relations.

But, in the continuing debate on the question within the Administration, high Pentagon officials oppose this action. They insist that the issue of Polish default has not been finally settled. Mr. Weinberger is known to favor the tougher stance of allowing default and the disruption of Western credit relations with the East to impose an economic penalty on Moscow and Warsaw for the repression in Poland.

Salvadoran Intervention Opposed

On the issue of El Salvador, however, Mr. Weinberger opposes American combat involvement and and is understood to be wary of military operations in the Caribbean, such as a blockade of Cuba or Nicaragua, that would require Congressional approval.

Tuesday, in Congressional testimony, Secretary of State Alexander M. Haig Jr. seemed to reopen the threat of American intervention in Central America by asserting that the United States would do "whatever is necessary" to prevent the overthrow the Salvadoran Government by leftist guerrillas. Today, Larry Speakes, a White House spokesman, left Mr. Haig's comments standing but emphasized that there were no plans "at the moment" for American troops to go into combat in El Salvador or elsewhere.

Mr. Speakes said the Secretary "was discussing contingencies," and added, "The President has said he has no plans to send troops anywhere and he has no plans."

A high Pentagon official, acknowledging domestic political opposition to American military involvement, added that "one of the lessons of Vietnam is that we can't engage in a war that is not supported by American public opinion."

In comments on another, more distant trouble spot, a senior Administration official revealed rising concern over reports that the Soviet Union was providing aid to the Communist Tudeh Party in Iran and was "very likely" sending arms and military supplies across the Soviet-Iranian border to other groups fighting the regime of Ayatollah Khomeini.

On the issue of possible Polish default, Mr. Weinberger was reported to have been taken by surprise by the Administration's decision to pay off the American banks, primarily because he had been preoccupied with preparation of the new Pentagon budget. But since the Defense Secretary did not get a chance to press his own views on the issue with President Reagan, the Pentagon does not regard the matter as settled.

Mr. Weinberger is said to feel that the recent decision to bail out the banks was an "interim" action. He is said to believe that the question is still "a live issue" among Administration policy makers and certain to be reconsidered as future installments of Polish debts come due.

"This is a continuing debate," a high Pentagon official said. "The default issue is with us continuously. There are quarterly payments due so it will come up again. It's a live issue."

The default question is linked in Mr. Weinberger's opinion to the pipeline deal, which has for months been a major target of Pentagon officials and American diplomats.

The Defense Department's view, reportedly backed by William J. Casey, Director of Central Intelligence, is that the pipeline would not only make Western Europe dependent on Moscow for vital energy supplies but would also earn the Soviet Union about $10 billion a year in hard currency that could be spent on Western technology with military applications.

Mr. Weinberger is understood to believe that a Polish default would not only impose further economic burdens on the Soviet Union but would delay the pipeline. The Administration concedes, however, that West European banks and governments are shying away from this approach.

Mr. Weinberger's arguments with the Western Europeans is that the West should not help the Soviet Union develop its oil and natural gas resources, especially when Western intelligence estimates project Soviet shortages in the years ahead.

In the Reagan Adminstration's internal debates over Poland, Mr. Weinberger and some of his Pentagon aides have taken the most pessimistic view of developments. Recently, for example, Mr. Weinberger commented that he felt "the Polish Government is run by a Russian general in a Polish uniform."

Although he is known to favor most policies that would make it harder for the Soviet Union to obtain new arms and support the military regime in Poland, Mr. Weinberger has not pushed for covert operations in support of Polish resistance to martial law.

The Administration's announcement Monday that the Government would pay American banks rather than allow Poland to go into formal default has come under fire from conservative groups.

"Default would require the Soviet Union, rather than the American taxpayer, to bail out the bankrupt Polish Government," Howard Phillips, leader of the Conservative Caucus, said today.

Mr. Phillips said at a news conference that his organization had launched a $100,000 letter-writing campaign to urge banks to force Poland into default by seeking immediate repayment of outstanding Polish loans.

ARTICLE APPEARED
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THE CHRISTIAN SCIENCE MONITOR
29 January 1982

OPINION AND COMMENTARY

The task before William Clark

By Robert R. Bowie

As national security advisor, Judge William Clark faces the daunting challenge of assisting Mr. Reagan to achieve coherence and direction for his foreign policy.

The past year has shown the gravity of the problem. The best that can be said is that Mr. Reagan discovered that simplistic campaign formulas seldom fit the complexities of the real world, and moved toward more pragmatic responses to events.

But the result is a far cry from an adequate policy. Too often the process of adjusting has been slow and erratic, suggesting weakness or yielding to pressure, as in the decisions on arming Taiwan or on arms control. More seriously the policy itself has been muddled or confused in many areas. Repeatedly Secretaries Haig and Weinberger and others have seemed to be working at cross-purposes, and the President does not always appear fully informed about the issues. The truth is that sharp conflicts persist within the administration on the basic approaches to most of the major issues. It does not yet have a guiding strategy on how to deal with the Soviets; on relations with the allies; on the Middle East and handling Begin and Israel; and on the sort of military capability required for deterrence and defense.

Mr. Reagan cannot have the coherent policy essential for dealing with allies or adversaries until he makes the critical choices about the strategy to be followed in these areas: what does the US want to achieve, by what means, and with what priorities? (In the Middle East, for example, does he intend to press forcefully for a Palestinian solution or to acquiesce — with toothless protests — in Israeli absorption of the West Bank and Gaza?) Without a strategy, his specific decisions will continue to be erratic, as when Carter vacillated between the advice of Brzezinski and Vance regarding the Soviet Union.

The primary task of Judge Clark should be to seek to rectify this situation. To do so he will need (1) to convince the President of the need to devote the requisite time and energy to making wise choices of strategy, and (2) to ensure that the Cabinet officers and their agencies provide him with the analyses and advice for informed decisions.

Judge Clark's standing with the President should qualify him to do both aspects effectively. It does not mean emulating Kissinger or Brzezinski. His model should be the very different role of the national security assistant under Eisenhower and Kennedy. The assistant was responsible for making the policy process work to integrate political, military, economic and other elements into sound decisions. The President expected him to ensure that various agencies produced solid analyses of the issues and of the alternatives for dealing with them. As the manager of the process, the assistant had the full backing of the President and direct access to him to require the Cabinet officers and their agencies to cooperate in the process. But he did not compete as advisers on the policy decisions.

While it might well be better if Judge Clark were more experienced in foreign affairs, he can do the job if he has the ability to see that issues are thoroughly analyzed and fully presented by those who are. He can do that with the help of a small staff, whose function should be to probe and question the positions of the departments and agencies rather than to usurp their policy role.

In seeking to improve the process Judge Clark might find it useful to examine the NSC system under Eisenhower. There the NSC assistant chaired an NSC Planning Board, composed of assistant secretaries from relevant agencies, which was responsible for preparing draft policy papers on major issues for consideration by the NSC and the President, drawing on the full resources of their respective agencies. The national security assistant made sure that the papers adequately analyzed the issue and competing recommendations about handling it, and arranged for a CIA intelligence estimate in parallel with the policy paper.

Second, these papers were circulated to the NSC members in time for them to be briefed by experts within their agencies before the NSC meeting. Finally, the President presided at all NSC meetings and heard the debate on the issue among the members before making his decision.

This process had several benefits: (1) The staff work of the Planning Board assured a joint probing of the problems and alternatives. (2) The experts in the various agencies had a full chance to submit their data and views as an input to the decision. (3) The President not only had the papers but also heard the issue discussed by all those with diverging views. In short it provided an effective mechanism for assisting the President to make the critical choices which determined the coherence and consistent direction of policy.

These would seem to me the criteria for assessing whatever procedures Judge Clark may devise.

Robert R. Bowie has been concerned with foreign affairs for 35 years while serving on the Harvard faculty, in various government posts, and as a consultant.

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ON PAGE A21

THE WASHINGTON POST
29 January 1982

Stephen S. Rosenfeld

The Hawk's Dilemma

The lesson of the CBS show on the doctoring of enemy strength estimates in Vietnam is simple: don't doctor estimates. It's much harder to cope with the condition that led to the doctoring. The United States was losing the war, or it was not winning in the way President Johnson wanted. That condition lingers in respect to our general international position. We are not—not yet, anyway—winning in the way President Reagan seems to want.

Much more is entailed here than the bias that frustration can impart to intelligence estimating. What does a country do when it's not winning? Fight on? Widen the war? Cut its losses? It is not a congenial question for Americans, but circumstances have compelled us to address it.

The initial Carter answer—before Afghanistan—was to seek out as broad an accommodation as possible with Moscow. Jimmy Carter's premise was that, to be prosperous and secure, the United States did not have to win in a conventional sense but just to reach a balance. He was sure it could be done.

"Reagan has begun to soften a little, but his turn, tentative as it is, distresses many of his longtime supporters."

The initial Reagan answer—before Europe seemingly started going neutral under the shock—was to prepare for a broad confrontation with Moscow. Openly dubious of accommodation, President Reagan seemed committed to the idea of winners and losers in the game of nations. His evident expectation was that at a certain point the Kremlin would say uncle.

Carter had to harden a lot. Reagan has begun to soften a little, how much we can't yet know. But we do know that his turn, tentative as it is, distresses many of his longtime supporters. It makes me wonder if those of us who are not so much troubled as comforted by the spectacle of a president's loosening grip on ideology may have underestimated the difficulties of Reagan's going further down that road.

I say this under the influence of a catch-up reading of a book written a dozen years ago by Fred C. Ikle. Then a defense intellectual, now he is undersecretary of defense for policy. "Every War Must End" (Columbia) is a succinct, beautifully argued essay on the little-studied question of how wars end. Though Ikle writes of hot wars, his analysis can be extended to the Cold War.

In a government's inevitable internal argument, he says, each faction espouses "peace with honor." A long struggle so deepens disagreement over national objectives, however, that the phrase loses its common meaning. Those who wish to end or ease the war risk exposing themselves to charges of betrayal or even treason. "Fear of this taint . . . deters senior officers and government officials from taking steps to end a war, even if they know full well that further fighting will do more harm than good . . ."

"Throughout the ages, states have sought to protect themselves against [treason] by strong moral and legal sanctions. Defenses are much weaker, however, against internal threats to the survival of a nation that stem from obstinacy in fighting on for unattainable aims . . . A dangerous asymmetry exists here in the protection of a state against two types of harmful acts by its own citizens."

"Cutting one's losses," Ikle goes on, "appears to be a particularly difficult decision for a government to reach in seeking to end a prolonged and unsuccessful war. The 'hawkish' and the 'dovish' factions, in thinking of their country and their people, might actually not be far apart in their deeper beliefs about what must be saved. Yet, in the eyes of the 'hawkish' faction, the acceptance of a partial defeat would not only expose these values to threats from without but start an internal process of political demoralization that would undermine them from within. And the 'dovish' faction believes just as strongly that continued fighting would destroy these values either through some final cataclysm or through increasing strife at home."

Yes, I am running a good bit ahead of the story. Scaled down to reflect the difference between a finite shooting war and an ongoing Cold War, however, these considerations seem to me to illuminate brilliantly the terrain of our politics today.

Ronald Reagan can be sure of moral and political fortification, although not necessarily success in his foreign policy, if he takes a hard line. But whatever tendencies he may have to let up will stir an intense reaction from the domestic quarter where he has the deepest roots. He is caught up, I hope, in the hawk's dilemma and there is no painless way out of it.

ARTICLE APPEARED
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CHRISTIAN SCIENCE MONITOR
26 January 1982

Lessons for US spy agencies

At a time when the Reagan administration is planning a major buildup in US intelligence capabilities over the next five years, it is vital that there be healthy competition and diversity in the intelligence-gathering process. The end result must be not just the mere collection of information — important as that is — but ensuring that conflicting viewpoints and analyses reach the nation's highest leaders so that the best national policy judgments can be made.

Events of the past several years have underscored the need for such diversity. Many questions remain to be answered, for example, about the adequacy of American intelligence regarding Iran, particularly the extent of popular opposition to the Shah. Had there been adequate contacts with Iranian dissident forces, US policy towards Iran might have been quite different than it was during the late 1970s.

An even starker example of the need for greater diversity in intelligence operations was spelled out in the CBS report on Vietnam last week. According to CBS, the top-level US military command in Vietnam suppressed and altered key intelligence information regarding enemy troop strength in the mid-1960s, even going so far as to reprogram computers. Both the CIA and military intelligence officers knew the information was wrong — in effect underestimating enemy strength by about half. Yet, according to the program, their counterviews did not reach President Lyndon Johnson or Congress until after the Tet offensive in early 1968 and after the American public had been repeatedly assured that victory was within reach.

US Vietnam commanders, including Gen. William Westmoreland, have denied the charges. The final historical record has still not been written. But the critical lessons of that period pinpoint the importance of providing the nation's highest political leaders with the widest possible sources of information. The lesson of Vietnam would also seem to touch on a related issue; namely, that presidents and Congresses have a responsibility to raise the right questions with the intelligence agencies. Finally, intelligence experts stress that it is the quality and integrity of intelligence work that is ultimately important, not just the amount of money spent on a particular spy operation. That means ensuring that intelligence reports not be "sanitized" or "scrubbed up" to convey a particular point of view before they are given to top officials.

In their 1980 political platform, Republicans promised that they would "propose methods of providing alternative intelligence estimates" and "constructive competition" within the US spy community. The White House would be well-served by ensuring fulfillment of that commitment.

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PHILADELPHIA INQUIRER
25 January 1982

National and International News in Brief

The CIA says Pakistan will soon be able to detonate a nuclear device.

According to yesterday's New York Times, a CIA report says Pakistan will be able to detonate the device within the next three years. The CIA report said, however, that Pakistan was not likely to conduct atomic tests, partly because of President Mohammed Zia ul-Haq's unwillingness to jeopardize the Reagan administration's six-year, $3.2 billion military and economic aid program, the Times said. Congress suspended aid to Pakistan in 1979 because the country was pursuing a nuclear weapons program. But the Reagan administration argued for the recently approved aid program.

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ON PAGE A15

THE WASHINGTON POST
21 January 1982

Falsified Reports on Viet
Laid to U.S. Comm

By Robert G. Kaiser
Washington Post Staff Writer

The American military command systematically understated the true strength of Vietcong forces during the year before the Tet offensive on orders from Gen. William C. Westmoreland, the American commander in Vietnam, according to a CBS News documentary.

Westmoreland's intelligence officers knew false reports were being sent from Saigon to Washington, they acknowledge in the documentary.

The program, "The Uncounted Enemy: A Vietnam Deception," will be broadcast Saturday from 9:30 to 11 p.m. (WDVM-9).

According to the former intelligence officers, their reports were altered to conform with Westmoreland's contention that the Vietcong army in South Vietnam consisted of fewer than 300,000 men.

In fact, they say, on the eve of the Tet offensive in January and February, 1968, the Vietcong and North Vietnamese may have had twice that many troops in South Vietnam.

After Tet, which Westmoreland termed a great American victory but which the Joint Chiefs of Staff used as justification for requesting an additional 206,000 American troops, the American command in Vietnam (MACV) again altered intelligence estimates, according to CBS.

In the documentary, a MACV analyst named Richard MacArthur says he returned from a brief vacation after Tet to discover that his estimate of Vietcong guerrilla strength had been cut in half.

When he protested to a colonel in the MACV intelligence center, the officer told him, "Mac, lie a little, Mac. Lie a little," MacArthur said.

Two former intelligence officers say then-colonel Daniel Graham, an Army intelligence officer who later became director of the Defense Intelligence Agency, ordered that information in MACV's computers on Vietcong strength be altered after Tet.

This was sion that "we had almost no enemy left after Tet," according to one of the officers, because MACV was claiming such high Vietcong losses during the offensive without acknowledging the true level of enemy forces before the attack began.

In the documentary, Graham, now retired from the Army, but still an active spokesman for hard-line defense positions, denies he was responsible for altering information in the computers.

The fact that U.S. intelligence analysts differed sharply over estimates of Vietcong strength was previously known.

Sam Adams, a former CIA analyst who argued for higher estimates at the time, has since written and spoken about the argument, which previously appeared to be a dispute between civilians at CIA and the military.

Adams was a consultant to CBS producer George Crile for the documentary.

But this is the first time Army intelligence officers, including a general who was the senior intelligence officer in Vietnam, have said that numbers were deliberately faked. The general, Joseph McChristian, says in the documentary that in 1967 his estimates showed "that enemy strength was increasing."

McChristian concluded that the enemy could continue the war "for an indefinite period."

But Westmoreland rejected this finding and refused to report it to Washington. In the documentary, under intensive questioning from correspondent Mike Wallace, Westmoreland explained that his refusal was based partly on political considerations.

What was the political reason? Wallace asked.

Westmoreland replied: "Because, the people in Washington were not sophisticated enough to understand and evaluate this thing, and neither was the media."

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THE BOSTON GLOBE
21 January 1982

US analysts falsified data on Viet enemy, CBS says

Associated Press

NEW YORK – Military and CIA analysts falsified enemy troop information before and during the 1968 Tet offensive in Vietnam, at least partly to appease politicians and the press at home, CBS News says in a report to be broadcast Saturday night.

"The fact is, we Americans were misinformed about the nature and size of the enemy we were facing," Mike Wallace says in an introduction to "The Uncounted Enemy: A Vietnam Deception."

CBS presents testimony from several former high-ranking US military and civilian officials that the program describes as "a conscious effort, indeed a conspiracy, at the highest levels of American military intelligence, to suppress and alter critical intelligence on the enemy in the year leading up to the Tet offensive."

Despite mounting optimism in the fall of 1966 for an American victory in Vietnam, CIA analysts – notably one named Sam Adams – had begun to doubt estimates on enemy troop strength coming from military headquarters in Saigon, CBS says.

In April 1967, Gen. William Westmoreland, commander of US forces in Vietnam, was summoned to Washington. Westmoreland, CBS says, told President Lyndon B. Johnson that the Viet Cong army had leveled off at 285,000 men.

Westmoreland apparently was not aware that his own intelligence chiefs in Vietnam had discovered evidence confirming CIA estimates of a far larger enemy, CBS says. When he did find out, Gen. Joseph McChristian, Westmoreland's intelligence chief at the time, recalls:

"I had the definite impression that he felt that if he sent those figures back to Washington at that time, it would create a political bombshell."

"I was not about to send to Washington something that was specious," Westmoreland tells Wallace. "And in my opinion, it was specious."

Wallace asks the general, now retired, "Why would it have been a 'political bombshell'?"

"Because," Westmoreland says, "the people in Washington were not sophisticated enough to understand and evaluate this thing, and neither was the media."

At one point, CBS says, military intelligence officers were apparently under orders from Westmoreland to keep the reported enemy troop level under 300,000, even though the total may have been much higher than that.

Gen. William Westmoreland briefs President Lyndon Johnson on the Vietnam war situation in 1967. AP PHOTO

"Westmoreland says he doesn't recall these orders," Wallace reports, but Col. George Hamscher, who represented the commander at a meeting in Washington in 1967, remembers, "We can't live with a figure higher than so-and-so is the message ... we got." Enemy troop strength was set, during that meeting, at 294,000, according to CBS.

In the summer of 1967, CBS says, Westmoreland "pursued a new tactic. He proposed that an entire category of the Viet Cong army – the self-defense militia, a force of 70,000 – simply be dropped from the order of battle."

Through 1967, according to CBS, military reports never indicated an infiltration rate of North Vietnamese regulars into the south higher than 8000 men a month. During the five months that preceded Tet, analysts counted as many as 25,000 infiltrating soldiers each month.

"But those reports of a dramatically increased infiltration were systematically blocked," CBS says.

Col. Russell Cooley, the man in charge of the infiltration analysts, adds:

"These never got past the higher headquarters. Every time these figures went up, they came back, and we were given another figure for infiltration figures."

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CHRISTIAN SCIENCE MONITOR
11 January 1982

White House plans major intelligence buildup

By Daniel Southerland
Staff correspondent of
The Christian Science Monitor
Washington

The White House has approved a five-year plan which would substantially strengthen American intelligence agencies across the board, according to administration officials.

The officials say that the plan grew primarily out of a conviction that budgetary and manpower limitations had for more than a decade prevented the spy agencies from keeping up adequately with a rapidly changing, more dangerous world. The plan, which would lead to the hiring of more analysts, scientists, and secret operatives by the intelligence agencies, is reported to have the support of the nation's top intelligence officers.

The officials told this reporter the plan would give the intelligence agencies a greater increase in funds over the next several years, in percentage terms, than increases now scheduled for the defense budget as a whole. The defense budget is to increase by 7 percent in real terms each year for the next five years.

Increases for the intelligence agencies will apparently mean not only more manpower, but also more technical capabilities, such as spy satellites, for example, and an increased ability to conduct secret operations overseas. In the case of the US Central Intelligence Agency, the Reagan administration's main concern at this point appears to be an effort to improve the quality of intelligence analysis reaching policymakers.

Administration officials feel confident that key senators and congressmen will go along with the intelligence "rebuilding" plan, which has been in the making for some months now. The full details of the intelligence agencies' budget are only known to top administration officials and to congressional oversight committees.

Published speculation on the subject has placed the intelligence agencies' budget at around $10 billion for 1980-81. A good part of that budget is said to go to the technological side of intelligence gathering.

Nearly a dozen government agencies are involved in intelligence gathering, with the CIA taking only a relatively small percentage of the total budget, officials say. America's biggest intelligence agency is the supersecret electronic snooping organization, the National Security Agency (NSA).

The question of possibly revealing to the public details of the intelligence agencies' total annual budget — it is now mostly hidden within the Defense Department budget — has been debated within the US Congress. But the executive branch has thus far argued successfully that it might be of use to adversaries of the US, and the Soviet Union, in particular, to know the full details. Officials contend that with such details, the Soviets might be able to plot trends and develop new methods of countering the US spy agencies.

A number of key senators and congressmen were highly critical of those spy agencies in the early and mid-1970s. Never before had any major nation argued out in public, to such a degree, the virtues and vices of its intelligence agencies.

But over the past several years, the pendulum seems to have swung on Capitol Hill in favor of strengthening the intelligence agencies. The causes for this are many. They include disillusionment with the results of US-Soviet détente and a feeling that the world has become a more dangerous place because of a number of developments — the fall of the Shah of Iran, the Soviet invasion of Afghanistan, and the loss of US nuclear superiority, among them.

While administration officials continue to decline to give full details of intelligence agency spending, meanwhile, they do give just enough to argue their case for rebuilding. They say that such spy agency spending reached a peak during the Vietnam war years, when large number of intelligence officers were deployed in Southeast Asia.

From the late 1960s onward, according to official accounts, there was a steady manpower "drawdown" in most sectors of intelligence gathering. According to one account, the manpower decrease at the CIA among both analysts and so-called case officers — the people who run foreign agents — has come to about 25 percent over the past 10 to 15 years.

Some former intelligence officers claim that the CIA's ability to engage in successful "covert action," or secret action aimed at influencing political conditions in other nations, had eroded to the point in recent years where it was virtually nonexistent.

There was reported to have been a limited revival of covert action during the last year or two of the Carter administration, most of it apparently in the propaganda field. Frustration over the fall of the Shah of Iran, the taking of American hostages in Iran, and the Soviet invasion of Afghanistan helped to generate pressures for a return to some of the cloak-and-dagger operations of the past.

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MILITARY SCIENCE & TECHNOLOGY
VOLUME 2, NO. 1
1982

INTELLIGENCE

A Proposal for Reform

by Ernest Volkman

During his tenure as CIA director, Admiral Stansfield Turner once commissioned a former navy colleague for what Turner believed would be about a one-week job: taking an independent look at the American intelligence community's entire security classification (and code-word) system in an attempt to arrive at a new system.

Actually, the job turned out to be so complicated, it took nearly half a year. And in the end, what emerged was a massive system of code-words and sources pegged to those with "need to know" certain information. The system was not only hopelessly complicated, it was useless as well; as things turned out, neither Turner nor the consultant were cleared to know some of the code words, and a huge chart graphically demonstrating the system could not be reproduced in the CIA since no one at the agency was cleared to know all of its components. Ultimately, it led to the formation of the so-called "Royal" special security system — first revealed via newspaper leaks, much to the bemused reactions of Washington policymakers.

The incident is symptomatic of much that is wrong with the modern American intelligence community: an obsession with structure over form, bureaucratic nose-picking, and an unhealthy concern with technology, to the exclusion of function. It is chiefly symptomatic, of course, of that central bane, bureaucracy, best exemplified by the code-word nightmare. Indeed, there is cause for some wonder at how Turner's consultant managed to pick his way through the labyrinth. How did he manage, for example, to understand why there are things marked ORCON, which means that permanent federal employees can look, but not contractors? Or how certain code words will denote material to be seen only by, say, the navy, but not by any other military service?

This is not an article about the intelligence community's code-word and security classification system — that subject would fill a dense volume, provided it could even be understood — but the concern here is about what can be done to reform the American intelligence community. As we have seen in this series of articles, that community for quite some time has been operating in something of an information/intelligence explosion, an explosion of data for which the intelligence community is largely responsible. But the name of the game has been how the intelligence has been used.

Summarily, the record is spotty, at best, on this point. There have been (and still are) too many policymakers who use intelligence as a drunk uses a lamppost — not for illumination, but as a crutch. **This explains why a certain kind of intelligence is continually most attractive to policymakers: the intelligence, carefully worded and subtly tailored, either tells somebody what he wants to hear or confirms an already well-established policy position.** The most unfortunate development in modern intelligence has been the subordination of intelligence to institutional and operational interests — and even more unfortunately the fact is that the intelligence community has all too often acquiesced in this sort of self-delusion, which we might summarize as the ancient pursuit of the agreeable, rather than the disagreeable.

To a certain extent, the American intelligence community has abrogated its fundamental responsibility of providing light in a world clouded by complexity and the noise of the information explosion. The sea of paper, generated these days in terms of sheer quantity, is beyond the capacity of its audience to absorb it. This sea concerns a dangerously volatile world, and no better mandate for the intelligence community exists than the task of understanding just how volatile it is, what dangers exist, and what can be reasonably anticipated in a time of disorderly change, violence, terror, totalitarian revolution and war. There is a pronounced deficiency by the intelligence community in this task at the present time, and however much we can applaud such events as the rapprochement with China, it is well to remember

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MILITARY SCIENCE & TECHNOLOGY
Vol. 1, No. 2
1981

INTELLIGENCE

by Ernest Volkman

DUST ON THE PLAINS OF SIBERIA

ARTICLE ONE

ROBERT WOHLSETTER has called the process "the pleasure of self-deception," that unshakable conviction that a particular technology or weapon—or anything—represents an insurmountable obstacle to an adversary for the forseeable future. History is replete with examples of such myopic smugness, ranging from the feudal warlords' belief that nothing could stop the power of heavily-armored knights, to the tragic assuredness with which the French in 1940 sat in their "invincible" Maginot Line and regarded the Wehrmacht's tanks and dive bombers.

This self-deceptive process is most invidious in intelligence and it is remarkable how often it recurs, even to the present day. What is most remarkable, in fact, is that the self-deception frequently occurs in the face of even the most detailed intelligence, proving that the self-deception has nothing to do with the amount of intelligence available, but has everything to do with the characteristic of policy-makers to believe what they want to believe, regardless of evidence to the contrary. Wohlsetter's "pleasures of self-deception" is extremely apt: nations deceive themselves because they want to, because it is most convenient to do so.

For the purposes of our study, nothing better illustrates the terrible truth of that process than the events surrounding one of this country's most abysmal intelligence failures, the first Russian atomic bomb.

Seldom in recorded history has a nation received so nasty a technological surprise than did the US on the morning of September 3, 1949, when an American B-29 bomber on patrol at 18,000 feet over the North Pacific picked up on its radiation detector instruments a higher-than-normal radiation count. The evidence clearly indicated an atomic bomb test in the Soviet Union but there was an unwillingness at first to believe the scientific evidence.

After all, since the American government was convinced that it would take the Russians about 20 years to duplicate a fission bomb similar to the one exploded in the New Mexico desert 4 years before, it was possible that the B-29's instruments were wrong. But during the next few days, there was no longer any doubt: high-level winds blowing over the North American and European continents contained high levels of radiation, indicating beyond question that the Soviet Union had tested an atomic bomb sometime during late August.

No one was more stunned at the accumulated scientific evidence than President Harry Truman, who was convinced — as was most of his administration and intelligence advisers — that it would take the Soviet Union decades to build the bomb. "Are you sure?" he kept asking a delegation from the new Atomic Energy Commission when they brought him the bad news. Again and again, the AEC experts patiently explained that although no non-Russian had actually *seen* the Russian explosion, the evidence for its existence was unmistakable. They showed the President the radiation-fogged plates from the testing gear, as well as radioactive ash plucked from the atmosphere.

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SACRAMENTO BEE (CA)
13 December 1981

U.S. Already Ahead

Is Defense Buildup Really Necessary?

(Mr. Hughes is professor of government and co-ordinator of the Soviet Studies Program at California State University, Sacramento. He also holds a degree in engineering).

BY RICHARD D. HUGHES
Special to The Bee

AMERICANS DESERVE some view of the realities of the arms race other than that fed them by the military industrial complex or the Republican Party; they are being deceived about the level of Soviet defense spending, about the quality of our strategic forces and about who is really preparing for limited nuclear war.

President Ford raised the issue of measuring the arms race during his election campaign when he arranged for an independent analysis of classified information prepared by the CIA. The reviewers included such hard-liners as Richard Pipes, a Harvard professor currently on loan to the National Security Council as White House resident Soviet specialist.

An example of Pipes' extreme hard-line perspective is that he had to be squelched by the White House last spring for talking about the "inevitability of war" (presumably with the Soviet Union). Ironically, the phrase — not originally intended to mean war between capitalist and Communist states — is a quotation from Lenin, disowned by Khrushchev and subsequent Soviet leaders because of the dangers inherent in any nuclear confrontation. The doctrine of peaceful co-existence, along with abundant debate in Soviet military circles on the inability of the Soviet Union to survive nuclear war, was completely ignored by Pipes in his influential article published in 1977 by "Commentary."

AN ALTERNATIVE VIEW of our position in the arms race emerges upon examination of overall spending figures and analysis of our strategic weapons capabilities vis-a-vis the Soviet Union.

Estimates of Soviet defense expenditures can be calculated in several ways, each yielding a different set of figures. The CIA method is to measure Soviet weapons production and manpower through various intelligence channels (such as satellites) and then attach a dollar figure representing what we would have to spend to match the Soviet effort.

This method has been challenged in many scholarly journals. In the first place, it is ridiculous to evalute structurally different economies and defense establishments in a single currency when the countries are monetarily isolated. What is relatively cheap here (such as designer jeans) may be very expensive there — as any traveler accosted by a Soviet teen-ager in Red Square can confirm.

Secondly, although the Soviet armed forces are made up of larger numbers of soldiers, they receive miniscule salaries, often serve as border guards, work on vast construction projects and must help farmers to bring in the harvest. Nonetheless, the CIA measures Soviet pay by U.S. standards — a clear distortion which ignores any difference in morale and efficiency between our military and theirs.

Also, our total strategic forces require 75,000 personnel, yet an equivalent Soviet arsenal requires five times as many.

In addition, 30 percent of our weapons are so technically sophisticated as to be beyond Soviet ability to manufacture, in some cases for the next 20 years, as reported by the Joint Chiefs of Staff in congressional testimony. If Soviet analysts used our methods of evaluating military hardware which they cannot produce, the ruble cost would be infinite.

According to CIA statistics, the Soviet Union was spending up to 40 percent more than we were before the recent Carter-Reagan buildup. A parallel method using rubles to evaluate our comparative efforts would indicate, some experts say, that we are spending three times what the Soviet Union spends. Franklyn Holzmann of Tufts University, an economist specializing in Soviet defense spending, has placed expenditures by both powers about equal in 1979.

An example of statistical manipulation illustrates the need for caution in interpreting figures supplied by the CIA: Even though there was no change in the rate of Soviet spending, in 1976 the agency concluded that the Soviet arms industry was as inefficient as the rest of the economy; and so its defense effort rose, statistically, from 6-8 percent of Soviet gross national product to 11-12 percent overnight, with no increase in force levels. Hard-liners are tempted to cite this change as proof that the Soviets were suddenly spending more. In fact, this should be interpreted to mean their defense was costing them relatively twice as much, or that, on at least one issue, the CIA has been wrong by a factor of almost 100 percent.

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↑AM-Casey Investments, Bjt - 2 Takes,700-1200

↑CIA Chief Keeps Control Over Big Investment F

↑Laserphoto NY9

↑By MICHAEL J. SNIFFEN

↑AND

↑ROBERT PARRY

↑Associated Press Writers

WASHINGTON (AP) - CIA Director William J. Cas..., one of the few men with broad access to the government's secret data on international economic developments, has reversed the practice of his two predecessors and kept control of his personal stock holdings.

Casey and his wife own stock worth at least $1.8 million, and perhaps more than $3.4 million, in 27 corporations with major foreign operations.

Many of the firms are involved with oil, natural gas and strategic minerals and operate in nations of deep interest to U.S. intelligence.

Unlike Casey, others with access to closely held economic secrets - including President Reagan, Vice President George Bush, Secretary of State Alexander M. Haig Jr. and Treasury Secretary Donald T. Regan - placed their holdings in blind trusts. Secretary of Defense Caspar Weinberger divested his stock in companies which do business with the Pentagon, but he did not create a blind trust.

Casey, whose past business dealings are under investigation by the Senate Intelligence Committee, maintains ultimate control over his stocks although an investment adviser handles day-to-day management of the portfolio, according to CIA General Counsel Stanley Sporkin.

Speaking for Casey, Sporkin said the adviser has bought and sold stock on Casey's behalf since the former Wall Street attorney took over at the CIA last January. Sporkin said Casey was not aware of what had been purchased, but the CIA counsel said he could not say Casey was unaware of what had been sold.

He declined to identify any Casey stocks bought or sold, but noted that the law requires incumbent officials by May 15 of each year to disclose the value, within broad ranges, of each stock transaction during the previous year.

Many Casey investments are with firms whose trading prices could rise and fall on international developments. For instance, Casey owns more than $250,000 in Superior Oil Co., which deals with the Abu Dhabi government on how much oil Superior can pump in the Persian Gulf. Superior also has been negotiating with Thailand on the sale of natural gas and the firm has an interest in a South African platinum subsidiary.

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ON PAGE A-16

NEW YORK TIMES
22 NOVEMBER 1981

C.I.A.'s Casey Departs Fr
In Keeping Control of His

WASHINGTON, Nov. 22 (AP) — William J. Casey, the Director of Central Intelligence, one of a handful of men with broad access to secret Government data on international economic developments, has reversed the practice of two predecessors by keeping control of his stock holdings.

Mr. Casey and his wife own stock worth at least $1.8 million, and perhaps more than $3.4 million, in 27 corporations with major foreign operations. Many of the concerns have oil, natural gas and strategic minerals operations and are involved in nations of interest to American intelligence.

Mr. Casey's immediate predecessors at the C.I.A., Vice President Bush and Adm. Stansfield Turner, set up blind trusts, saying that they wished to avoid the appearance of conflicts of interests.

Unlike Mr. Casey, others with access to strategic economic secret, — including President Reagan, Mr. Bush, Secretary of State Alexander M. Haig Jr. and Treasury Secretary Donald T. Regan, put their holdings in blind trusts. Defense Secretary Caspar T. Weinberger sold his stock in companies doing business with the Pentagon, but did not create a blind trust.

No Violation of Rules

Fred F. Fielding, the White House counsel, said that Mr. Casey had not violated Reagan Administration guidelines on stock holdings.

The director, whose business dealings are under Senate Intelligence Committee investigation, has ultimate control over his stocks, although an investment adviser handles their day-to-day management, according to the intelligence agency's general counsel, Stanley Sporkin.

Speaking for Mr. Casey, Mr. Sporkin said that the adviser had bought and sold stock on Mr. Casey's behalf since the former Wall Street attorney took over the agency directorship in January. Mr. Sporkin said that Mr. Casey was not aware of what had been purchased, but he said he could not say that Mr. Casey was unaware of what had been sold.

He declined to identify any stocks bought or sold for Mr. Casey. He noted that a law requires senior officials, each May 15, to disclose the value, within broad ranges, of each stock transaction in the previous year.

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The New York Times

William J. Casey

A 1965 Presidential order and existing regulations prohibit Federal employees from using information not in the public domain and obtained through their Government work "for the purpose of furthering a private interest." A Government-wide regulation on ethical conduct says "an employee shall avoid any action, whether or not specifically prohibited . . . which might result in or create the appearance of using public office for private gain."

Such rules led Mr. Bush to sell nine stocks and create a blind trust for his investments in 1976, after becoming C.I.A. director.

Admiral Turner, who had investments worth less than $350,000, said, "I knew I wasn't going to misuse any information, but the safest move for me to be sure that I didn't have an appearance of conflict was to put those holdings in a blind trust."

Even Quaker Oats Questionable

He said that he could have made a trust unnecessary by shifting investments into stocks "with no conflict with C.I.A., like Quaker Oats." But he corrected himself to say: "Well, not Quaker Oats, because C.I.A. estimates the Russian oat crop."

As Director of Central Intelligence, Mr. Casey receives information from agents and analysts, and from United States Air Force satellites and the National Security Agency's electronic intercepting equipment.

Three former officials at the security agency, who asked not to be identified because the functions of the agency were classified, said that, backed by legal authority and sophisticated technology, the agency monitors a large volume of international communications by multinational firms, foreign corporations and other governments.

One official said: "The C.I.A. Director will know almost before anyone else when an oil fire shuts down a major field in the Persian Gulf; whether the Chinese have to buy wheat or have a major oil find and need drilling equipment or when a foreign government is planning to expropriate a U.S. firm.

"Few people have access to all of this, but Casey's one of half a dozen people who have got it all."

Trust Inquiry Referred to Counsel

Mr. Sporkin said that Mr. Casey had asked whether he should create a blind trust. A deputy general counsel for the C.I.A., Ernest Mayfield, told him Feb. 3 that he did not have to.

Mr. Mayerfeld could not be reached, but Mr. Sporkin said: "There's no requirement that I know of to put his holdings in a blind trust." Referring to Mr. Casey, he went on: "You're dealing with a very honorable person. He wouldn't misuse information. He just wouldn't do that."

Mr. Sporkin said Mr. Mayerfeld had consulted a classified list of intelligence contractors before advising Mr. Casey that he did not have to sell stocks or create a trust, but should disqualify himself from dealing with specifics affecting his holdings.

Though not required to do so, Mr. Casey put his holdings in a blind trust when he headed the Securities and Exchange Commission, and when he served as Under Secretary of State for Economic Affairs and head of the Export-Import Bank in the Nixon and Ford administrations.

"I think he got burned on his last blind trust," Mr. Sporkin said. "It is a very onerous kind of thing to do."

Mr. Sporkin would not make public Mr. Casey's agreement with his invest-

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ON PAGE 4

THE CHRISTIAN SCIENCE MONITOR
20 November 1981

Air Force is a step closer to getting B-1

By Stephen Webbe
Staff correspondent of The Christian Science Monitor

Washington

The B-1 bomber now looks certain to be emblazoned with the US Air Force insignia.

The House of Representatives approved funds for the sleek, new aircraft when it passed a $197.4 billion defense appropriations bill Nov. 18. The Senate is expected to act in similar fashion this week.

By a 263-to-142 vote, the House scotched an attempt by Rep. Joseph P. Addabbo (D) of New York to cut out most of the $2.4 billion earmarked for the bomber. Built by Rockwell International, the plane can carry conventional and nuclear bombs as well as 30 cruise missiles.

Representative Addabbo, chairman of the House Defense Appropriations Subcommittee, argues that there is insufficient money to build the B-1 and the "Stealth" or advanced technology bomber (ATB) that eventually will replace it. Cost estimates for the B-1 program range from $20 billion by the Pentagon to $40 billion by the Congressional Budget Office.

Air Force chiefs long have wanted to replace the aging B-52 bombers with the B-1. But President Carter halted plans for the B-1's full-scale production in 1977. Instead, he chose to rely on "standoff bombers" — B-52Gs armed with long-range cruise missiles.

The crucial task facing any bomber pitted against the Soviet Union is the penetration of increasingly formidable air defenses — radars, missiles, and interceptor aircraft. US Defense Secretary Caspar W. Weinberger claims the B-52 will be unable to penetrate that shield beyond the end of 1985.

But CIA analyst Robert M. Huffstutler told the defense subcommittee of the Senate Appropriations Committee Oct. 28 that "there would be practically no difference" in the ability of B-52s and B-1s to pierce Soviet air defenses.

The Pentagon promptly counterattacked, fearing its rationale for seeking 100 B-1 bombers would be destroyed. "The CIA was talking about the wrong B-1," says Mr. Weinberger. The new aircraft, the B-1B, carries more advanced defenses than the original, the Pentagon insists — thus enabling it to reach Soviet targets more easily. Rockwell says the radar cross section of the B-1B will be one-tenth that of the B-1 and one-hundredth that of the B-52. Weinberger says the B-1B will be able to penetrate Soviet air defenses "well into the 1990s."

Jumping from the B-52 to the ATB would be risky in the Air Force's view because the ATB is in its research and development stages. Weinberger has said that the first ATB could be completed in 1989. Rockwell says it could have 100 B-1s in USAF livery by 1988.

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ON PAGE A3

THE WASHINGTON POST
18 November 1981

Senate Committee Upholds B1 Bomber Funding, 21 to 7

By George C. Wilson
Washington Post Staff Writer

The Senate Appropriations Committee handed President Reagan his second major victory on defense in two days yesterday by voting 21 to 7 to build the B1 bomber.

On Monday, the House Appropriations Committee approved the land-based MX missile.

Reagan proposed both weapons systems in October as part of his plan to beef up strategic firepower. Both proposals have been controversial, with approval by Congress much in doubt.

Both Sen. Ernest F. Hollings (D-S.C.), who tried to kill the B1, and Rep. Joseph P. Addabbo (D-N.Y.), who sought to delete funding for the MX, vowed to renew their fights when the defense appropriations bills are debated in the two chambers later this week.

The House committee has approved $196.5 billion in spending authority for the Pentagon for fiscal 1982, about $4 billion less than Reagan sought, while the Senate unit, by voice vote yesterday, approved $203.8 billion. Congressional leaders hope to have a compromise version through both houses and ready to send to the president by Friday.

The MX was not voted on in the Senate committee yesterday. Chairman Mark O. Hatfield (R-Ore.) said he would wait until the bill reaches the floor before seeking to delete money for the MX and for chemical warfare. This left the Hollings B1 amendment as yesterday's key test of how well Reagan has managed to sell his defense strategy to the Senate.

Hollings said the B1 would not buy enough bang for the buck, and urged that the $2.4 billion earmarked for the bomber be spent instead on upgrading military readiness. He quoted testimony by Defense Secretary Caspar W. Weinberger that the B1, due to be ready in 1986, would not be able to penetrate Soviet air defenses after 1990.

Weinberger told the Senate Armed Services Committee Nov. 5 that, after the period of "probably 1988 to 1989," with the B1 "you lose the ability to penetrate unless someone wants to direct suicide missions, and that is not anything I am going to do."

At another point in the same hearing, Weinberger said: "The simple fact is that the information I have, the department has, on which the decision was based was that it would be no longer safe to utilize the B1 as a penetrating bomber after approximately that year"—1989 to 1990—"if the Soviet rate of development does continue at the rate we think it will...

"I think there is no question whatever," Weinberger continued, "that we will not be able to use the B1 as a penetrator after 1990. If it goes to 1992, that will be a little extra dividend."

In the last two weeks, Pentagon civilians, Air Force generals and Central Intelligence Agency Director William J. Casey have had to go to great lengths to undo the damage this testimony did to the B1 proposal in Congress.

On Nov. 10, Weinberger and Casey jointly signed a letter to the Senate defense appropriations subcommittee "intended to clarify capabilities" of the B1 and other U.S. bombers. In contrast to Weinberger's testimony, the letter said the new B1 "would have the capability to penetrate anticipated Soviet air defenses well into the 1990s in a multitude of employment modes and to perform effectively as a cruise missile carrier and as a conventional bomber into the next century."

Shortly before voting on the Hollings amendment yesterday, committee members received a secret briefing on the radar-evading Stealth bomber under development. The test versions of that plane were small, about the size of the Navy's A4 Skyhawk, and experienced crashes partly attributable to the unique shapes and other radar-foiling techniques employed. The Pentagon's argument is that Stealth cannot yet be relied on as the bomber of the future, so the B1 should be built until the advanced plane is proved out.

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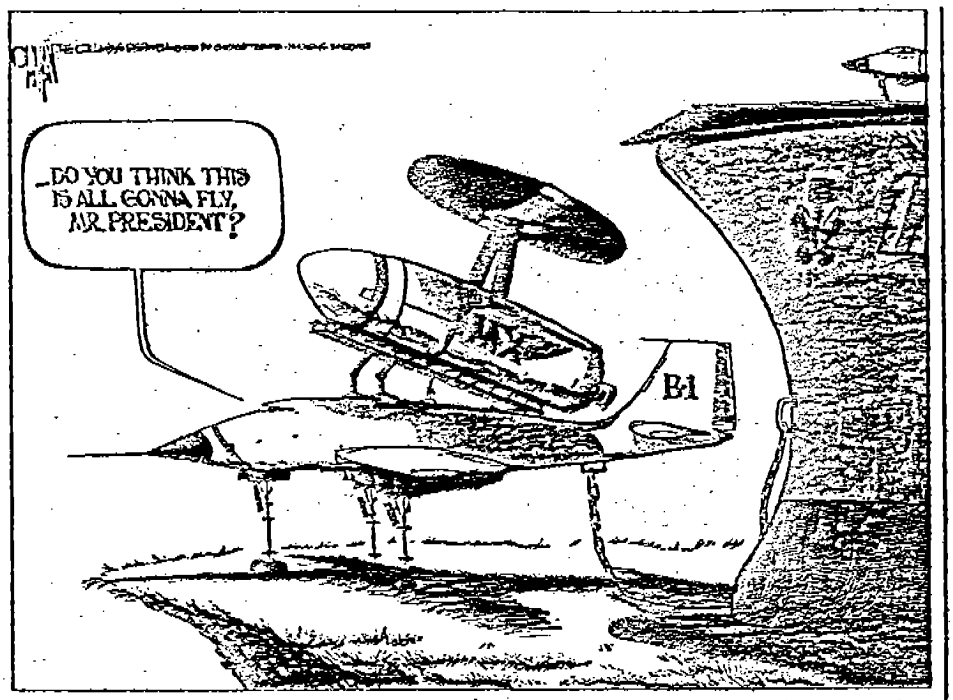
ON PAGE 22
NEW YORK MAGAZINE
16 November 1981

The National Interest/Michael Kramer

TIME TO SHOOT DOWN THE B-1



The Biggest Boondoggle

SLOWLY, EVEN RONALD REAGAN IS COMing to realize that he can't do it all at once. The president's advisers are telling him that he must either accept deficits that will make balancing the budget by 1984 improbable or raise approximately $60 billion in revenues through new taxes, in violation of the administration's commitment to supply-side economics.

So far, the president has resisted this choice. Instead, he has asked Congress for a new round of domestic budget cuts —about $13-billion worth. And even though his own party's congressional leaders have told him he won't get the reductions he wants, he appears determined to try. Reagan can't be faulted for this approach. He's already beaten the opposition to his first round of record budget cuts, and he has just won the AWACS victory against difficult odds.

Nevertheless, another round of budget rollbacks really does look impossible —so much so that Howard Baker, the Senate majority leader, has called for a trust fund to finance increased military spending. "We're searching for a way to get them out of competition with each other," says Baker, referring to the fight for funds between defense and non-defense programs. Like the highway trust fund that built the nation's interstates, Baker's defense fund would earmark certain tax revenues for the military before they became subject to con-

There is another way, however: Cut defense spending, or at least cut the increase the administration is seeking. The problem here is the promise the president made during the campaign, a pledge to "re-arm America" in order to achieve a "margin of safety" over the Soviets. So even if a cutback in some of his defense plans might make sense, Reagan just doesn't want to do it.

In many ways, the president is a prisoner of his own hysteria. He has spent his whole political life warning of Russia's "lead" in this or that area. He is reluctant to concede that he might have overstated the case. And yet, in cutting back the MX missile system, he is really admitting exactly this.

The Reagan plan calls for 100 MX missiles to be housed in existing Titan and Minuteman silos after these shelters have been "superhardened." The $34-billion price tag for this program isn't exactly chicken feed, but it's a far cry from the ambitious 200-missile MX racetrack system proposed by Jimmy Carter. In order to keep faith with its hard-line constituency, the administration has portrayed the 100-missile plan as merely a "temporary" measure. A final decision on the scope of the MX program will not be made until 1984.

A smaller MX system may not be as commendable as no MX at all, but the president's program deserves praise since it represents a clearer line of thinking than Carter offered. And if, in the

chip in future arms-reduction talks with the Russians, that's fine.

The other new weapon system proposed by the president, the B-1 bomber, is something else again. The B-1 is a boondoggle whose time never was. It is only "alive" today because the air force has ensured that just about every state in the union has a stake in its development.

The administration wants to build 100 B-1s. Their cost depends on whom you talk to. Originally—which means at the beginning of this year—the plane's manufacturer, Rockwell International, put the cost at $11.9 billion. In May, the air force figured the price at between $15-billion and $18 billion. This was then raised to $19.7 billion, and now congressional estimates put the bill as high as $30 billion. And this number probably isn't even close to what the eventual cost will be. A Senate committee has concluded that, on average, major weapon systems cost almost three times what was estimated when their funds were first authorized. In dollars, this ballooning is staggering. The total cost of 47 weapon systems escalated by $48-billion in just the final three months of last year—more than enough to swallow up the domestic budget cuts Congress approved a few months back.

Even assuming a reasonable cost for the B-1, the plane makes little if any sense. By most estimates, the B-1 would be unable to penetrate Soviet air defenses beyond the year 1990—and penetration is the name of the game. At almost every turn, the penetration problem is proving an embarrassment for the administration. Last February, *Aviation Week & Space Technology*, a respected journal that rarely deviates from the Pentagon line, reported that "bomber studies show conclusively" that the B-1 couldn't escape Soviet radar beyond the end of the decade. The air force has disputed this view, but it was confirmed last month by Robert Huffstutler, director of the C.I.A.'s Office of Soviet Analysis.

Since the B-1 isn't scheduled for delivery until late 1986, it would have a useful life against Russian air defenses of only four years. And by then the B-1 could be replaced by the Stealth bomber, a nearly "invisible" aircraft whose cost hasn't even begun to be calculated.

Another potential mission for the B-1 is to serve as a launching platform for the cruise missile—the safest and surest way to get inside the Soviet Union. The B-1 would supposedly stand outside Soviet

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ON PAGE 24.

THE ECONOMIST
14 November 1981

Keep on guessing

Confused about whether the administration believes nuclear war can or cannot be limited to Europe, whether it thinks the budget will or will not be balanced in 1984, or whether it does or does not intend to raise taxes? Well, at least you know it is going to rearm America with the help of the MX missile and the B-1 bomber. Isn't it?

Yes, it is, unless both houses of congress vote against these weapons by November 18th. They are unlikely to do so, but congressional opposition has been growing apace—partly because everyone is so confused about the costs and capabilities of the two weapons. The main questions concern:

The MX's vulnerability. Congress has been repeatedly told by military experts that the MX missile would have to be based in a mobile system, since a fixed system would render it vulnerable to increasingly accurate Russian warheads. The Reagan administration, however, believes that the first 20-40 of the 100 MX missiles it wants to build should be put in hardened silos now used to house Titan missiles. The defence secretary, Mr Caspar Weinberger, believes this means of deployment would do for a few years. The chairman of the joint chiefs of staff, General David Jones, is sceptical. So is the (Republican) chairman of the senate armed services committee, Senator John Tower, a vigorous proponent of rearmament.

In March the administration asked congress for $2.95 billion for developing the MX in fiscal 1982; last month it reduced that to $1.99 billion. The defence appropriations subcommittee of the house of representatives has since voted it down.

The B-1's cost. The Pentagon has estimated the cost of the 100 B-1s the administration wants to build at $20.5 billion, in 1981 dollars; by the time they have all been delivered the total cost, taking account of inflation, will rise, it believes, to about $28 billion. The (independent) congressional budget office thinks the figures will be $26.2 billion, in 1981 dollars, and $39.8 billion taking account of inflation.

The B-1's capability. Mr Weinberger told congress in early October that the B-1 might not be able to penetrate Russian defences beyond 1990. The Central Intelligence Agency also produced a report indicating that there would be little difference between the B-1 and the aircraft it is to replace, the B-52, in terms of its ability to penetrate Russian defences. This week Mr Weinberger and the head of the CIA, Mr William Casey, reversed themselves in a joint letter to influential congressmen, saying that the B-1 would be able to do its job well into the 1990s.

Stealth's development. Last month Mr Weinberger told congress that the new stealth bomber, designed to escape radar detection by the enemy and being developed faster than expected, might be ready by 1989, just three years after the B-1 would go into service. This week the Pentagon's top scientist said this was not in fact so.

Forecasting costs and capabilities is difficult. So, it seems, is sticking to your forecast.

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AVIATION WEEK & SPACE TECHNOLOGY
2 November 1981

Senate Hearing Criticizes B-1 Based on CIA, GAO Reports

Washington—The Rockwell B-1 bomber was criticized in the Senate last week as Secretary of Defense Caspar W. Weinberger clarified cost estimates and B-1 opponents disclosed two new reports critical of the project.

In the House, the B-1 narrowly survived an attack in the House Appropriations defense subcommittee as funding was approved seven to five. The attack had been led by Subcommittee Chairman Rep. Joseph P. Addabbo (D.-N. Y.).

Sen. Ted Stevens (R.-Alaska), chairman of the defense subcommittee of the Senate Appropriations Committee, summarized in an open hearing a secret report given the House and Senate by the Central Intelligence Agency stating that penetration of Soviet defenses through 1990 is no greater with the B-1 than with the present Boeing B-52.

Weinberger immediately countered that he has not seen the CIA report and believes the B-52 will be unable to penetrate Soviet defenses by mid-decade.

Stevens, an opponent of the B-1, also announced a new report by the General Accounting Office questioning reductions in B-1 program estimates made by Pentagon planners and warning that cost estimates do not include cruise missile modifications.

Afford Programs

Stevens further questioned, during hearings by his subcommittee last week, whether the U. S. can afford to maintain the B-52, build the B-1 and develop an advanced-technology bomber.

"I have been chairman of the subcommittee 10 months, and I can't find a weapons system that has come in under cost. Not one," Stevens told Weinberger and Gen. David C. Jones, chairman of the Joint Chiefs of Staff.

Weinberger stuck with earlier estimates for the B-1 program of $19.7 billion, plus an additional $800 million for cruise missile modifications, when figured in 1981 dollars.

"It's been in excess of 10% for the Dept. of Defense for the last four or five years," Stevens said.

Milton A. Margolis of the Pentagon's cost analysis improvement group began last week the group's first full-scale review of the B-1 bomber cost. Previously the group has had only interim reports.

Margolis' remarks came a day earlier before the Senate Government Affairs Committee, where Frank C. Carlucci, deputy secretary of Defense, told the committee the B-1 bomber program cost will be between $20.2 billion and $20.7 billion when cruise missile modifications are included.

The governmental affairs hearing was called to explore the acquisition process in the Defense Dept. Carlucci explained the Pentagon has "technical problems" with an amendment to the Fiscal 1982 defense authorization bill by Sen. Sam Nunn (D.-Ga.) requiring automatic reporting when cost overruns occur.

When a 10-15% cost overrun occurs, the appropriate service secretary with responsibility for the program will report. When a 25% cost overrun occurs, the secretary of Defense will report.

Carlucci said such a process would bypass the secretary. There also are questions of what occurrences will trigger a report and how a program will be affected once a report is made.

Sen. William V. Roth (R.-Del.), the committee chairman, said the "military argument does not wash. What we are trying to do is maintain civilian control of the military," he said. "The Nunn amendment is the best step in 10 years in controlling overruns."

Panel on Procurement

In the House last week a special House Armed Services panel on procurement chaired by Rep. Dave McCurdy (D.-Okla.) continued its investigation, due to end in December, into cost overruns.

Norman R. Augustine, chairman of the Defense Science Board and a vice president of Martin Marietta Aerospace, said cost overruns of one-third or more of the original price estimate occur half the time. He suggested several new initiatives to control Defense Dept. weapon systems costs, including:

- Place the projects under the direction of competent, qualified, dedicated people and keep them on the same project rather than switch them from job to job.
- Avoid the impression of excessive requirements and eliminate nice-to-have features. The last few percent of capability in a system typically generate the greater share of the cost and problems encountered in development.
- Encourage realistic contractor and government cost estimating. Overly optimistic cost estimates stem from sales efforts by the government and the contractor.
- Use realistic inflation estimates.

Discussion of inflation estimates used by the Pentagon led to a sharp exchange in the Senate hearing when Weinberger told Stevens that the Defense Dept. has "high hopes" that President Ronald Reagan's anti-inflation program will be successful and reflects that optimism in using estimates that are lower than past experience.

"I also have high hopes," Stevens said. "But we can't continue to base projections for items costing $200 million [the B-1 bomber] on hopes. That's the real problem." □

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ON PAGE E-2

THE NEW YORK TIMES
1 NOVEMBER 1981

The Nation

In Summary

Early Warning on Nuclear Spending

Congress last week gave its first formal response to the Administration's plan for putting elevator shoes under the nation's nuclear triad. It was underwhelming.

The House appropriations subcommittee on defense agreed 8 to 5 that 100 B-1 bombers should be built to blanket the late 1980's, when the B-52 bomber, it is feared, will be not obsolescent but obsolete and the Stealth, it is expected, will not be on line. It refused, however — 7 to 6 — any funds for the MX in 1982, because Mr. Reagan wants to put up to 100 of the new missiles his strategic revitalization plan calls for in existing silos and decide in 1984 how to deploy the rest.

"We're not going to give him money to wait and play with," Joseph P. Addabbo, chairman of the subcommittee, said in explaining the secret vote. "If [the silos are] vulnerable now, they would be vulnerable after the MX went into them."

The MX vote was more than a caution, Representative Addabbo indicated. On the Senate side, Defense Secretary Caspar W. Weinberger, who early last month tried to assure skeptical Congressmen that the $180.3 billion 10-year plan would create a "stable and secure" deterrent, got a warning of stiffer kind.

A stern Ted Stevens, chairman of the defense appropriations subpanel, confronted the Secretary — to his surprise — with a Central Intelligence Agency report presented in secret session an hour before. It said that the B-52 could penetrate Soviet air defenses until 1990. "There is a real substantial conflict in Congress over the B-1," the Senator said.

He is right. There is growing doubt on Capitol Hill that the B-1, rejected as an unneccesary bang for the buck by the Carter Administration, is worth the $20.5 billion (in 1981 dollars) Mr. Weinberger said last week it would cost. Some Reagan officials — particularly in the tight-fisted budget office — are said to have their doubts too: No MX or B-1, the equation goes, could mean balancing the budget.

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ON PAGE 18.

NEW YORK DAILY NEWS
1 November 1981

Pentagon fires back after CIA wings B-1

By JOSEPH VOLZ

Washington (News Bureau)—Shoot holes in a $28 billion Pentagon defense program and the Pentagon will shoot right back—even taking aim at the Central Intelligence Agency.

CIA analyst Robert Huffstutler looked briefly like ground-zero at Hiroshima last week after he had told a Senate committee that America's aging B-52 bomber would be able to penetrate Soviet air defenses well into the 1990s.

The trouble with Huffstutler's testimony, in the Pentagon's view, was that it undermined the rationale for building and deploying 100 B-1 bombers. If the B-52 can get through Soviet interceptors and ground-to-air missiles, why build the B-1?

The Pentagon, in an unprecedented public squabble, charged that the CIA did not know what it was talking about. Spokesman Henry Catto, two top civilian officials and an Air Force lieutenant general called in reporters.

THEY ATTACKED Huffstutler's claim that the B-52 bomber would be able to penetrate Sovet air defenses into the 1990s—just like the B-1 bomber that the Air Force is about to pump $28 billion into.

The CIA and the Pentagon have differed on foreign intelligence estimates, in private, but this is one of the rare times that the Defense Department pilloried a CIA official publicly.

Ironically, although the Reagan administration has been on a successful campaign to protect the identity of CIA agents, reporters had no idea who the CIA expert was until the Defense official named him as Huffstutler, director of the CIA Office of Strategic Analysis.

Pentagon officials also said Huffstutler's analysis of the B-1's ability to dodge Soviet radar was based on the plans drafted four years ago and not on a new improved model, officially labeled the B-1B.

A DEFENSE OFFICIAL called Huffstutler's conclusions "invalid," but Lt. Gen. Kelly Burke, the Air Force's top bomber expert, really lowered the boom: "Our calculations are based on fact, not theory, as I suspect was the case with the CIA witness."

NEW YORK POST
31 October 1981

The issues that lurk beyond debate on B-1

By JAMES A. WECHSLER

A STRANGE thing happened this week at a hearing of the Senate's Defense Appropriations subcommittee.

Secretary of Defense Caspar W. Weinberger had just testified that the U.S. would lack the capability to penetrate Soviet air defense in the last five years of this decade unless we were equipped with a large force of B-1 bombers.

Thereupon chairman Sen. Ted Stevens, an Alaska Republican, disclosed that, in a previous closed session, the subcommittee had received exactly contrary testimony from the Central Intelligence Agency. The CIA representative had asserted that existing B-52 bombers could perform that mission until at least 1990.

Secretary Weinberger was described in an Associated Press report as "taken aback" by Senator Stevens' account of the CIA's estimate. "I haven't seen any indication that the B-52 will be able to penetrate beyond mid-decade," he declared. He added that he would have to examine the information on which the CIA based it conclusion.

All of which raises the initial question of whether the Defense Dept. and the CIA are on non-speaking terms, or need to be formally reintroduced to each other.

A larger question is how any legislator presumes to cast a vote on a weapons program such as the B-1 when confronted by such conflicting testimony from high places. And when such confusion is aired on Capitol Hill, how can lesser citizens — even begin to evaluate the argument?

It happens that both Sen. Stevens and Rep. Joseph Addabbo, his counterpart in the House Defense Appropriations Committee, favor scrapping the B-1 project ($28 billion for 100 planes at current prices) and proceeding instead with an advanced technology venture known as "Stealth" that would allegedly enable warplanes to elude detection.

I can hardly profess to be an informed partisan in this dispute and my bewilderment increases when the Defense Dept. and the CIA are so palpably unable to get their act together. One is also obliged to ask how many decisions involved in shaping the Administration's expanded military budget are similarly clouded by clashing exercises in expertise.

Yet not many moments after this disagreement between the Defense Dept. and the CIA was unveiled, the parallel House subcommittee was voting 7-5 to ratify the B-1 appropriation. Had word of the Weinberger-CIA collision not yet traveled across the Hill? Or did the vote simply reflect the still dominant impulse to give the Pentagon most of what it says it needs?

Beyond the matter of the B-1 investment are many other new proposals for costly weaponry. And beyond such baffling discords as the Weinberger-CIA episode is the more fundamental question: how much is enough?

In part the answer depends, as George Kennan earnestly argues in the current *New Yorker*, on rival premises. Those who see the present as simply a re-run of the 1930s insist that military supremacy alone can save the West and the peace. But those, like Kennan, who find flaws in the deadly-parallel theory of Soviet strategy and strength are unwilling to buy arms as the simplistic overriding answer.

In its totality, however, his case rests on more than a different reading of "the worst-case image." It rests on the wholly special, unprecedented circumstance created by the nuclear age:

"My opponents," he writes, "believe that differences of superiority or inferiority, in the statistical sense, have meaning; that if you have more of these weapons than your adversary has, you are in a stronger position to stand up against intimidation or an actual attack. I challenge that view. I submit that if you are talking about what are in reality quantities of overkill — arsenals so excessive that they would suffice to destroy the adversary's homeland many times over — statistical disparities between the arsenals on the two sides are quite meaningless. But precisely that — the absurd excessiveness of the existing nuclear arsenals — is the situation we have before us."

That is what far more extensive national dialogue should be about. It could matter more than whether Mr. Weinberger and the CIA are finally able to resolve their argument about the role of the B-1 in 1987.

ST. LOUIS GLOBE-DEMOCRAT
30 October 1981

Why Let CIA Judge B-1 Bomber?

Since when has the Central Intelligence Agency become the authority on military aircraft?

After Defense Secretary Caspar W. Weinberger testified before a closed session of the Senate Defense Appropriations Committee that 100 B-1 bombers are needed because existing B-52 bombers won't be able to penetrate Soviet air defenses after 1984 or 1985, opponents brought forth an "expert" from the CIA to try to make a case against the B-1.

Sen. Ted Stevens, R-Alaska, chairman of the committee and opponent of the B-1, said the CIA expert has testified that Russian air defenses won't be able to stop B-52 bombers equipped with cruise missiles until about 1990. Therefore, Stevens concluded the interim B-1, which is planned to fill the gap until the Stealth-equipped B-1s can be built in the 1990s, won't be needed.

Stevens is far off base. If he wanted advice on CIA operations, would he ask the Defense Department?

Simply because the CIA gathers information on Soviet defense capabilities does not make its agents authorities on military aircraft. The foes of a strong defense are reaching again to try to find reasons to support their B-1 opposition. They have had their way for about 20 years, with the result that the once-powerful manned bomber arm of the Triad which started with about 600 B-52s in the early 1960s now is down to 315 aging, outdated planes.

It is this same attitude which has caused the United States to lose its nuclear superiority over the Soviets and permitted conventional forces to deteriorate to the point that they, too, are inferior to those of the U.S.S.R.

WICHITA EAGLE BEACON (KS)
30 October 1981

B-1B Plan Crucial to Halt Soviet Threat, AF Chief Says

By JOE GANDELMAN
Staff Writer

The Soviet threat is real — and the Reagan administration's plan to build a fleet of 100 B-1B bombers is crucial.

Those were the messages Secretary of the Air Force Verne Orr brought to Wichita Thursday when he spoke at a Paul Revere Foundation luncheon at the Wichita Royale. Orr was in Wichita to visit McConnell Air Force Base as part of a tour of Air Force bases throughout the country.

He assailed critics who want more — but cheaper — military hardware. "What they basically are saying is that we can afford the loss of the pilots more than their planes.

"Our administration did not come to Washington to sacrifice our most important asset — the lives of our personnel — on the altar of incompetent airplanes," Orr said.

He said the B-1B bomber, given its name to distinguish it from the B-1 model scrapped by President Jimmy Carter, will be vastly improved. It will have advanced Stealth and avionic technologies, take off faster than the B-52, be able to land on shorter runways and carry heavier loads, he said.

"And when it can't penetrate the USSR, it can be used as a Cruise missile carrier like the B-52 is now."

In an earlier news conference, Orr was asked about reports that the CIA had told the House appropriations subcommittee on defense that the B-52 would do about as well as the B-1B in penetrating the Soviet Union with Cruise missiles. "I think there's a little misconception," he said.

A Cruise missile, he said, is fired from hundreds of miles away from the USSR. The old B-1, he said, had a radar cross-section "only a fraction of the B-52," and the new B-1B will have a radar cross-section only a fraction of the old B-1. "So it has a much lower Stealth . . . . It's an excellent penetrator long after the B-52 would be a penetrator."

Orr warned of the growing "Soviet threat." He noted that the USSR built 1,300 fighters and bombers in a year, while the US and NATO countries combined made only about 500."

"You've heard the saying: When we build they build, and when we stop they don't."

He also said:

- The MX missile is a vital part of America's defense needs. Putting land-placed ICBMs in Titan or Minuteman sites is only temporary. The administration is considering three permanent measures — continuous airborne alert, deep underground basing, and work on ballistic missile defense.

- The volunteer army is succeeding because of pay hikes. It's attracting more educated recruits. This year 88 percent of the Air Force's recruits had high school diplomas. Next year's goal is 92 percent. This year 70 percent of the Army's recruits had high school diplomas, compared to 50 percent last year.

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CHRISTIAN SCIENCE MONITOR
30 October 1981

The news-briefly

Initial cost of silo work for MXs put at $7 billion

Washington

It would cost up to $7 billion to harden existing silos for deployment of the new MX nuclear missiles, the Air Force says. That would only be a temporary measure until deciding a permanent method of basing the missiles.

President Reagan's modernization plan also includes 100 interim B-1 bombers, at an estimated cost of $20 billion. That part of the proposal ran into trouble in a Senate panel Wednesday when one senator said he'd been told by CIA officials that the current B-52 bombers would be able to penetrate Soviet airspace until 1990.

The Pentagon claims the B-52 will be obsolete by the mid-1980s and is urging that the B-52 fleet be replaced with the 100 B-1s.

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ON PAGE A1

THE BALTIMORE SUN
30 October 1981

Pentagon faults the C for false data on bon

By Charles W. Corddry
Washington Bureau of The Sun

Washington—The Defense Department publicly attacked the Central Intelligence Agency yesterday on grounds that the agency got into strategic arms matters that were not its concern and got them wrong.

At the forefront was the Pentagon's hypersensitivity over the B-1 bomber's uncertain future in Congress and its annoyance over some adverse testimony of CIA officials Wednesday.

By second-hand accounts of the secret testimony, the CIA's Ray M. Huffstutler told the defense subcommittee on the Senate Appropriations Committee that the old B-52 bomber would do about as well as the expensive new B-1 in penetrating Soviet air defenses with cruise missiles.

Any such conclusion could severely damage the Reagan administration's hopes of getting Congress to endorse a plan to build 100 B-1s—much modified and now called B-1Bs—at a projected cost of $20.5 billion.

Just before a swiftly arranged press conference yesterday morning, T. K. Jones, a top research and engineering official at the Pentagon, got Mr. Huffstutler on the telephone and asked what assumptions he had used to reach his worrying assessment.

As Mr. Jones then told it at the press conference, the CIA man "indicated he was not aware" that the B-1 had been significantly changed, to avoid Soviet air defenses, since the bomber program was canceled by President Jimmy Carter in 1977.

The CIA was not only ignorant of a major change in a U.S. strategic weapon, the Pentagon panoply of officials implied, but was out of its jurisdiction in evaluating American arms capabilities.

Where had Mr. Huffstutler been, not to know about the modified B-1? a reporter asked.

"That's what we asked," said James P. Wade, Jr., deputy under secretary of defense for research and engineering.

"His [Mr. Huffstutler's] job is to analyze what the Soviets are doing," added Mr. Jones, who holds the same rank as Mr. Wade and is overseer of bomber development in the office of Defense Secretary Caspar W. Weinberger.

What Mr. Jones was saying, and Mr. Wade elaborated, was that a nation's intelligence agencies analyze the military capabilities of other nations. Reaching net assessments of relative capabilities is for other, more senior officials.

Mr. Huffstutler had all the worst of it yesterday; CIA rules prevented him from saying anything to the press and what he said to Congress was known only in the most fragmentary form—a few sentences from Senator Ted Stevens (R, Alaska), chairman of the appropriations subcommittee, a skeptic on the B-1 and Senate majority whip.

Mr. Huffstutler is director of the CIA's office of Soviet analysis and before that he was director of its office of strategic research, which deals in military problems. His friends said yesterday that he knows his stuff, but the CIA had to be content with saying: "We are confident this issue is going to be resolved very quickly."

Even if it is resolved quickly, it was an unusual spectacle while it lasted. Interagency combat is not unheard of in the Reagan administration. The State Department publicly jumped on the Navy Secretary, John Lehman, when he said early on that there was no need to abide by strategic arms limitation agreements that had expired.

But the Pentagon is usually more subtle in broadcasting its differences with the CIA, and at other times the CIA and defense chiefs might have settled the matter quietly.

Not so yesterday. Henry E. Catto, Jr., the Pentagon spokesman, showed up at the press conference with Mr. Wade, Mr. Jones, two Air Force assistant secretaries and two general officers; other experts were there, too, to answer questions that didn't even get asked.

The Defense Department plainly was stung by the suggestion that B-1s might be unequal to their job, especially by suggestions based on a model of the B-1 that the Pentagon is not planning to build, and by the implication thereof. That implication is that the country should skip the B-1 project and go straight to development of the so-called "advanced technology bomber," also known as "Stealth."

Senator Stevens advanced such a view after hearing the CIA testimony.

The burden of the officials' story at the Pentagon yesterday was:

- The B-1 has been so changed by design refinements and new electronics for spoofing Soviet defenses that it can penetrate the Soviet Union for many years (there is no real agreement on how many) after it enters service in 1986.
- One factor considered compelling is that the new B-1 makes one-tenth the image on a radar screen that the former model did, and one-hundredth the image that a B-52 makes.
- The Stealth bomber is yet to be designed, developed and tested, and there is no real certainty about how well or how fast that will proceed.

Lt. Gen. Kelly H. Burke, the Air Force deputy chief of staff for research, development and purchase of weapons, ruefully remarked yesterday that some people think the Air Force has a "strong anti-technology bias" because it wants the B-1 instead of awaiting arrival of the Stealth.

The irony there was that the Air Force is the service often considered to be at the leading edge of technology.

The B-1, General Burke said, could penetrate Soviet air defenses into the next century. The B-52 "looks like a flying barn door on a radar screen and there is nothing we know to do about that," he said.

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ON PAGE C-10.

NEW YORK DAILY NEWS
29 October 1981

WHAT ELSE IN THE NATION

Controversy over B-52

Washington (News Bureau)—The Central Intelligence Agency and Defense Secretary Caspar Weinberger disagreed sharply yesterday over how many more years America's B-52 bomber will be able to penetrate steadily improving Soviet air defenses.

Sen. Ted Stevens (R-Alaska) told reporters after a closed-door session of his Defense Appropriations subcommittee that a CIA expert had estimated that the aging B-52 would be able to survive on flights over the Soviet Union well into the 1990s. Weinberger, testifying before the same panel, insisted the B-52 "wouldn't be able to penetrate beyond 1984 or 1985."

—Joseph Volz

ASSOCIATED PRESS

28 OCT. 1981

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ŧAM-Bombers-Missiles;560

ŧHouse Subcommittee Rejects Funds for MX Missile

ŧBy DON WATERS

ŧAssociated Press Writer

WASHINGTON (AP) - A House subcommittee; in the first vote on President Reagan's major new weapons proposals; Wednesday approved money to build 100 B-1 bombers but refused any funds for the MX missile.

Both 7-5 votes came as the defense appropriations subcommittee of the House Appropriations Committee worked on Reagan's request to spend $200.9 billion for defense in the current fiscal year.

Although the tally was only in the subcommittee; it was the first time Congress had voted on Reagan's proposals.

Meanwhile; a key Senate critic of Reagan's decision to revive the B-1 confronted Pentagon leaders with a CIA assessment that missile-equipped B-52s would be just as effective against Soviet air defenses as similarly equipped new planes for the rest of the 1980s.

''The judgment was ... that between now and the end of the decade; the B-52 with cruise missiles and the B-1 with cruise missiles; as we know it so far;'' are no different ''in the ability to penetrate Soviet defenses;'' said Sen. Ted Stevens; R-Alaska.

Stevens; chairman of the Senate defense appropriations subcommittee; told Defense Secretary Caspar W. Weinberger and Gen. David Jones; chairman of the Joint Chiefs of Staff; that the CIA assessment came at a classified briefing held for the panel just before the two testified.

''I do not understand how this country can afford to keep the B-52s flying; to build the B-1 and go into (advanced technology Stealth bomber) development at the same time;'' Stevens said in summarizing his opposition to the manned bomber part of Reagan's recently announced strategic modernization program.

NEW YORK TIMES

28 OCT. 1981

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AM-DEFENSE

CIA SAY B-52S CAN PENETRATE SOVIET AIR DEFENSES UNTIL 1990

BY RICHARD HALLORAN

C. 1981 N.Y TIMES NEWS SERVICE

WASHINGTON - THE CENTRAL INTELLIGENCE AGENCY APPEARED WEDNESDAY TO HAVE UNDERCUT THE REAGAN ADMINISTRATION'S CASE FOR BUILDING NEW LONG RANGE B-1 BOMBERS BY TELLING A SENATE SUBCOMMITTEE THAT EXISTING B-52 BOMBERS COULD PENETRATE SOVIET AIR DEFENSES UNTIL 1990.

SEN. TED STEVENS, R-ALASKA, WHO HEARD THE CIA TESTIMONY IN CLOSED SESSION, SAID LATER IN AN OPEN HEARING THAT THE AGENCY'S INFORMATION WOULD CONTRIBUTE TO THE ''SUBSTANTIAL CONFLICT'' IN THE CONGRESS OVER THE B-1.

STEVENS, CHAIRMAN OF THE APPROPRIATIONS SUBCOMMITTEE ON DEFENSE, FAVORS SKIPPING THE B-1 IN FAVOR OF BUILDING THE ''STEALTH,'' AN ADVANCED TECHNOLOGY BOMBER DESIGNED TO EVADE RADAR DETECTION. HE AND HIS COUNTERPART IN THE HOUSE, REP. JOSEPH P. ADDABBO, D-N.Y., CONTEND THAT THE UNITED STATES DOES NOT NEED AND CANNOT AFFORD TWO NEW BOMBER FLEETS.

ADDABBO, IN A BRIEF CORRIDOR INTERVIEW, SAID ''THE B-1 SHOULD GO INTO A MUSEUM AND WE SHOULD GO AHEAD WITH THE ADVANCED TECHNOLOGY BOMBER.'' CONGRESSIONAL OFFICIALS SAID HIS SUBCOMMITTEE HAD ALSO RECEIVED THE SAME INFORMATION ON SOVIET AIR DEFENSES FROM THE CIA.

SECRETARY OF DEFENSE CASPAR W. WEINBERGER, WHO TESTIFIED ALONG WITH GENERAL DAVID C. JONES, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, BEFORE STEVENS'S SUBCOMMITTEE, SEEMED TO BE TAKEN ABACK BY STEVENS'S REPORT ON THE CIA TESTIMONY.

HE HAD JUST TESTIFIED THAT THE UNITED STATES WOULD HAVE NO CAPABILITY OF PENETRATING SOVIET AIR DEFENSES FOR THE LAST FIVE YEARS OF THIS DECADE WITHOUT THE B-1, WHICH WOULD BE AN ADVANCED VERSION OF THE BOMBER CANCELED BY PRESIDENT CARTER IN 1977.

WHEN STEVENS UNEXPECTEDLY DISCLOSED THE CIA ESTIMATE, WEINBERGER ASSERTED THAT ''I HAVEN'T SEEN ANY INDICATION THAT THE B-52 WILL BE ABLE TO PENETRATE BEYOND MID-DECADE.'' HE SAID HE WANTED TO SEE THE INFORMATION ON WHICH THE CIA ESTIMATE WAS BASED.

ARTICLE APPEARED
ON PAGE 28

TIME
26 October 1981

Arming the World

Out of control and no limits in sight

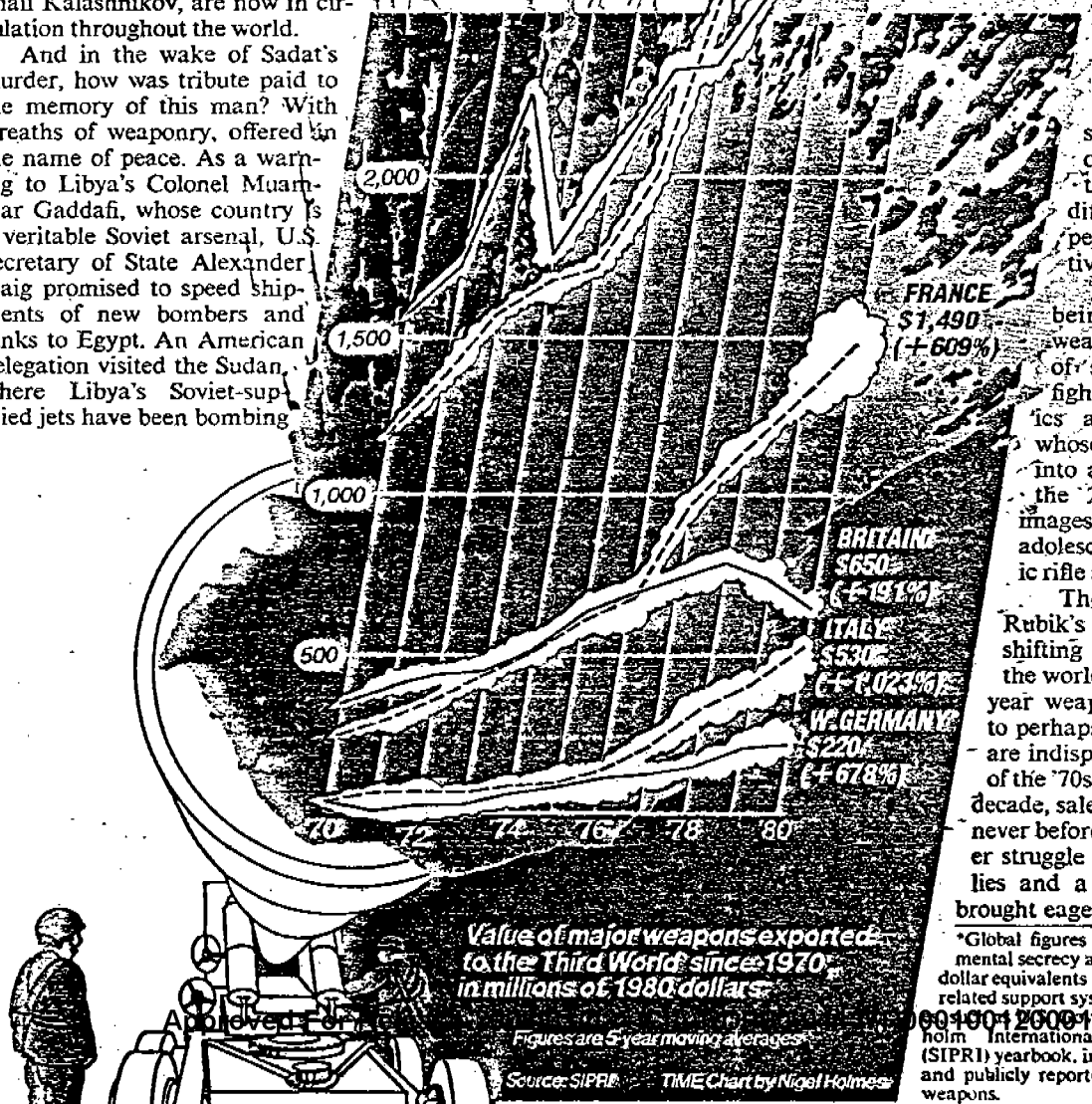
The scene was shocking, but it was an aptly ironic image of the times. A winner of the Nobel Peace Prize shot by soldiers—his own—wielding Soviet AK-47s (market price: $750), who had jumped from a Soviet Zil truck (price: $18,000) that was towing a North Korean antitank gun ($35,000). In the background American-made M60 battle tanks ($2 million each) rumbled on in the parade of Egyptian military might, while six French Mirage jet fighters ($2.5 million) flew overhead in tight formation. Across the Islamic world, from Tripoli to Tehran, the assassination of Egyptian President Anwar Sadat was celebrated by bursts of bullets from every revolutionary's favorite automatic weapon. More than 10 million AK-47s, designed by Mikhail Kalashnikov, are now in circulation throughout the world.

And in the wake of Sadat's murder, how was tribute paid to the memory of this man? With wreaths of weaponry, offered in the name of peace. As a warning to Libya's Colonel Muammar Gaddafi, whose country is a veritable Soviet arsenal, U.S. Secretary of State Alexander Haig promised to speed shipments of new bombers and tanks to Egypt. An American delegation visited the Sudan, where Libya's Soviet-supplied jets have been bombing border villages, and promised to try to deliver quickly $100 million worth of military equipment to a jittery President Gaafar Nimeiri. Meanwhile, British Prime Minister Margaret Thatcher was in Pakistan, where she urged more Western weapons sales to protect that country from a possible attack by Soviet forces occupying Afghanistan. Then she flew in one of Pakistan's Soviet Mi-8 helicopters to the Khyber Pass, where she talked to an Afghan border guard sporting, of course, an AK-47.

There is no question that Egypt, the Sudan and Pakistan all have legitimate security concerns. Yet last week's pronouncements provided further proof of what has long since become an alarming and accelerating commonplace: for large and small nations alike, weapons sales have become the chief tool of diplomacy. "They are now major strands in the warp and woof of world politics," writes Foreign Policy Analyst Andrew Pierre in a forthcoming book, *The Global Politics of Arms Sales*. "They are foreign policy writ large." No longer content with surplus matériel from the arsenals of the superpowers, smaller nations are demanding state-of-the-art equipment in everything from fighters to frigates. Even as they deplore the buildup and fear its consequences, the major arms sellers echo the old dirge of 19th century slave traders: "If we don't sell, someone else will." The only effective restraint on the seller, it seems, is the difficulty in beating competitors to the most lucrative contracts.

Not only nations are being armed. Inevitably, weapons flow into the hands of self-proclaimed freedom fighters, terrorists and fanatics and, alas, the children whose legacy it is to be born into a world of arms. One of the 20th century's enduring images may be that of a sad-eyed adolescent cuddling an automatic rifle as if it were a toy.

The world arms bazaar is a Rubik's Cube of complex and shifting relationships and one of the world's largest businesses; last year weapons transfers amounted to perhaps $120 billion.* Weapons are indisputably a growth industry of the '70s and '80s. During the past decade, sales have leaped forward as never before, spurred by a superpower struggle to gain Third World allies and a leap in oil prices that brought eager buyers into the market.



*Global figures are elusive because of governmental secrecy and the difficulty in determining dollar equivalents for various armaments and their related support systems. Most authoritative sources, including government reports and the Stockholm International Peace Research Institute (SIPRI) yearbook, include only officially sanctioned and publicly reported sales of major conventional weapons.

Distribution II

18 October 1981

ΣARM-ARMS-TIMEΣ
NEW YORK, OCT 18, REUTER -- THE UNITED STATES IS THE WORLD'S LEADING ARMS EXPORTER, FOLLOWED BY THE SOVIET UNION AND FRANCE, ACCORDING TO THE WEEKLY NEWS MAGAZINE TIME.
TIME SAYS IN ITS CURRENT ISSUE THAT INTERNATIONAL WEAPONS TRADE HAS BECOME ONE OF THE WORLD'S BIGGEST EXPORT BUSINESSES.
U.S. ARMS SALES LAST YEAR TOTALED ABOUT 17 BILLION DOLLARS, WHILE SOVIET SALES WERE ABOUT 15 BILLION DOLLARS, IT REPORTED. THOUGH FRANCE WAS FAR BEHIND WITH EIGHT BILLION DOLLARS IN ARMS SALES, THE WEAPONS BUSINESS HAD BECOME ITS MOST LUCRATIVE, TIME SAID.
THE MAGAZINE QUOTED THE U.S. CENTRAL INTELLIGENCE AGENCY (CIA) AS ESTIMATING THAT WEAPONS SALES BRING IN ROUGHLY ONE-FOURTH OF THE FOREIGN CURRENCY EARNED BY THE SOVIET UNION.
''THAT TRADE PROVIDES THE USSR WITH A COMMERCIAL LINK TO KEY OIL PRODUCERS, WHICH MAY BE ONE REASON WHY IT IS TRYING TO SELL ARMS TO KUWAIT, A SHEIKHDOM WITH FIRM TIES TO THE CAPITALIST WORLD,'' TIME SAID. ''EVEN THOUGH THEY ASK FOR HARD CASH, THE SOVIETS USUALLY PRICE THEIR WARES WELL BELOW COMPARABLE WESTERN WEAPONS.''
TIME SAID FRANCE HAS QUALITY PRODUCTS, AGGRESSIVE MARKETING SKILLS AND FEW QUALMS ABOUT SELLING TO ANYONE WHO CAN PAY.Σ
REUTER 1715 JC

DETROIT NEWS
28 September 1981

Improving U.S. Intelligence

Congress is considering several measures to correct the damage done to the U.S. intelligence community during the past decade by former Sen. Frank Church and his cohorts.

The measures under consideration include: repeal of the Hughes-Ryan amendment that established extensive congressional oversight of secret intelligence activities, exempting the intelligence community from the provisions of the Freedom of Information Act, and adopting the intelligence identities protection act to safeguard the names of secret agents.

Although these measures are welcome, they will not solve a more fundamental problem affecting the U.S. intelligence Establishment. For the blunt truth is that some of the CIA's wounds have been self-inflicted.

The CIA assembles data from its own sources and from the Defense Intelligence Agency, the National Security Agency, the military intelligence services, and the State Department's Bureau of Intelligence and Research. This material is then synthesized by the CIA into National Intelligence Estimates (NIE).

When a specific topic is selected, the CIA assigns someone to draft a paper reflecting the consensus of the intelligence agencies. Although the agencies may formally protest particular points, they rarely do so, preferring instead to be "team players." Consequently, the NIEs presented to the president and other top policy-makers, tend to reflect the lowest common denominator of opinion. And too frequently, the bad news is played down.

Until 1979 the NIEs insisted that the Soviet Union would not place offensive weapons in Cuba. To admit otherwise was to accuse the Russians of violating the terms of the 1962 agreement with President Kennedy ending the Cuban missile crisis. Thus the stationing of Soviet fighter-bombers, the construction of submarine pens, and frequent visits by major Russian naval units to the island were noted but not accorded any significance in intelligence estimates.

The NIEs contended that the Soviets would not invade Third World nations with their own troops. This estimate was hastily revised in 1979 when the Russians invaded Afghanistan.

U.S. intelligence forecasts were certain the Shah of Iran would weather the political storm to remain in power through the 1980s. By suggesting otherwise, the intelligence network would undercut the administration's reliance upon Iran as "the policeman of the Persian Gulf."

In 1977 the NIEs predicted that the Soviets would experience a major oil crisis within a decade. Though the forecast was incorrect, it did bolster Jimmy Carter's contention that Russian dependence upon Western drilling technology would strengthen detente.

When the Reagan administration scored the Soviet use of terrorism to destabilize pro-Western governments, the CIA had to go back and dig up more than 1,000 terrorist acts that had gone unreported during the last year of the Carter administration. The Carter people weren't interested, you see, in Soviet-inspired terrorism.

But the largest failure of the intelligence community was in consistently underestimating the Soviet military buildup during the past two decades. This miscalculation contributed to the disastrous SALT I agreement that left America at a strategic-arms disadvantage.

Nations that value the importance of intelligence seldom experience these kinds of failure. Yet, so long as the United States remains uncertain about the proper role of intelligence, there is little likelihood the situation will improve.

The proper role of intelligence is neither to bolster presidential decisions that have already been made nor to provide convenient "scorecards" for busy policy-makers. It is to provide the administration with the best and most up-to-date political, economic, and military information.

So, while it is fashionable to blame Congress and the Carter administration for all of the problems plaguing the intelligence community, this rationale ignores the institutional weakness of the CIA.

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WALL STREET JOURNAL
12 November 1981

MX and B1: Two Very Expensive Molehills

Viewpoint

by Hodding Carter III

When it comes to the administration's new strategic weaponry program, the mountain labored and brought forth a very expensive molehill. Although no one will admit it, and many observers still don't seem to understand, President Reagan has taken a page from John F. Kennedy's book. Twenty years ago the missile gap was interred shortly after the election it helped to win; this year, the "window of vulnerability" was closed as an issue only 11 months after millions of Americans had been taught to shiver in its draft.

Actually, that isn't quite true. At his October press briefing on the subject, the President did manage to keep the window open, even if it was no longer the window of campaign days. What the window looks out upon is Soviet dominance on the European front and Moscow's vastly superior navy, the President said. Secretary of Defense Caspar Weinberger somehow managed to maintain his justly famous poker face, but over at the Pentagon, grown men were seen weeping openly and without shame.

Among the true believers at Defense, on Capitol Hill and along Pundit Row, the awful truth is almost too much to bear. The President's programs do nothing to alter America's alleged vulnerability to a Soviet first strike. Our land-based missiles will not be adequately protected, according to their doctrine, during the period of what was once called maximum peril, which is from now through the mid-1980s. The head of the Air Force's research and engineering division told Congress that "we cannot assure survivability" of the MX in the hardened Titan and Minuteman silos planned for its short-term future. The hard decisions on MX will be made in 1984, which means all the grim scenarios outlined by Ronald Reagan the campaigner will be unaffected by Ronald Reagan the President until then.

But if the MX feature of the new strategic program is a non-starter in real terms, the B1-bomber once more turns out to be a grossly overpriced turkey. On the testimony of no less an expert than Mr. Weinberger himself, it will be able to penetrate Soviet air defenses for four years at most after it is deployed. For that limited bit of defense lagniappe, the taxpayers will have to shell out up to $39 billion, even while millions and then billions of dollars are being simultaneously spent on the development of a bomber which can evade detection and hit Soviet targets.

The CIA claims that the current fleet of B52 bombers, aging though they are, will be able to accomplish their most important task through the rest of this decade and beyond. Soviet air defenses or no, they will be able to stand off from Russian air space and fire away with cruise missiles, which can make it to their destination. In other words, the B1 would be built, if it is approved, primarily so its advocates could say that it had been built, and not for any vital defense purpose.

None of this troubles the surface certainty of the administration, which continues to assert, as the President did on Tuesday, that both hardened silos and B1 bombers are necessary. Nevertheless, the suspicion grows stronger by the day that key officials on the Reagan team are well aware of the absurdity of their case and would not be grief-stricken if Congress were to say no.

If the plainly nonsensical nature of both decisions and the lukewarm enthusiasm of their sponsors are not compelling, Congress should kill the plans on the basis of cost-benefit analysis alone. Consider the figure for hardening 50 silos to temporarily house the MX, keeping in mind that Air Force experts have repeatedly said such hardened sites are vulnerable. The price is now estimated at $5 billion to $7 billion. On the basis of past Pentagon estimates that means it could eventually be twice as high—and what those dollars will buy is a big fat nothing.

If the price tag for hardening silos to no discernible effect seems monstrous, the numbers game which has been played with the 100-bomber B1 force is ludicrous. As Sen. David Pryor of Arkansas noted during a recent Senate hearing, the prime contractor of the B1 estimated early this year that it would cost $11.9 billion. In May, the Air Force said the figure might be $15 billion to $18 billion. The Defense Department then raised the ante to $19.7 billion, and Mr. Weinberger saw that figure and raised it to $21 billion—minus the inflation factor. The Congressional Budget Office this week put the cost at $39 billion. Given the record, who really doubts that estimate, the President possibly excepted? Inflation may be tapering off generally, but in the big bang department, the buck buys less and less.

Let no one suppose that defense overruns have not been a matter of Pentagon concern, however. Even while the price of some of their favorite gobblers soared skyward, Defense Department officials were bitterly resisting a Senate-passed amendment to the Defense Authorization Act which would make them accountable for their underestimates. The amendment was sponsored by Sen. Sam Nunn, a good friend of increased defense spending, precisely because he sees the handwriting on the wall. In a day of government-enforced austerity in social welfare programs, the public will not be long sympathetic to overruns larger than the cuts taken out of the safety net.

This obvious disarray offers a measure of hope for those who echo President Eisenhower's farewell concern about the "recurring temptation to feel that some spectacular and costly action could become a miraculous solution to all current difficulties."

The administration has offered a program which doesn't treat the disease it originally diagnosed and which costs far too much for the limited results it can legitimately promise. That's a prescription for political repudiation tomorrow and a more sensible approach to defense spending the day after that.

Mr. Carter is the anchorman for "Inside Story," a television series being produced by PBS.

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ON PAGE A-24

NEW YORK TIMES
30 OCTOBER 1981

STAT

B-1 IS PREFERRED BY AIR FORCE CHIEF

Allen Favors the Bomber Over a More Advanced Plane if U.S. Can't Afford Both

WASHINGTON, Oct. 29 (AP) — Gen. Lew Allen Jr., the Air Force Chief of Staff, said today that he would rather see Congress forge ahead with the B-1 bomber than with a more advanced bomber if the lawmakers decided that they could not afford both.

General Allen made the comment after Senator John W. Warner, Republican of Virginia, said Congress might decide that it could not afford both the B-1 and the advanced, radar-eluding Stealth bomber that the Reagan Administration also wants to develop.

"I would regret very much having to make a choice like that, but I would see no alternative but to go with the B-1," General Allen told a subcommittee of the Senate Armed Services Committee.

Senator Ted Stevens, chairman of the Defense Subcommittee of the Senate Appropriations Committee, said yesterday that there might be "a substantial conflict in Congress" over reviving the B-1 program, which was shelved by President Carter in 1977.

C.I.A. Analysis Cited

Senator Stevens, an Alaska Republican, cited a statement by an analyst for the Central Intelligence Agency that B-52 bombers equipped with cruise missiles would be as effective as similarly armed B-1's against Soviet air defenses in the 1980's.

The Pentagon held a briefing today to challenge that analysis, which was made by Robert M. Huffstutler, director of the intelligence agency's Office of Soviet Analysis.

T. K. Jones, Deputy Under Secretary of Defense for strategic and theater nuclear forces, said Mr. Huffstutler "in essence based his remarks on the radar signature of the original B-1 design," and added: "He did not know that in the present design we had significantly reduced the radar cross section using technology not available at the time of the original design."

President Reagan has asked Congress for $2.4 billion in the fiscal year 1982 for the B-1 as part of a $200.9 billion military appropriation. The six-year cost of the proposed 100 B-1 bombers is estimated at $20.5 billion in 1981 dollars.

MX Cost Estimate Made

Lieut. Gen. Kelly H. Burke, deputy Air Force chief of staff, made the Air Force's first public estimate of how much it would cost to reinforce existing missile silos and put new MX missiles in them, as the Reagan Administration has proposed.

He said initial deployment of the MX would cost from $4 billion to $7 billion, depending on whether Titan or Minuteman silos or both were used and where they were located.

Deploying the MX missiles in the silos is intended as a stopgap until the Administration decides in 1984 whether to put them in more permanent underground bases.

The Defense Subcommittee of the House Appropriations Committee refused yesterday, by a 7-to-5 vote, to approve funds for the Reagan MX plan.

NEW YORK TIMES

30 Oct. 1981

#AJN (Field News Service)

WASHINGTON - The Defense Department has publicly attacked the Central Intelligence Agency on grounds that the agency got into strategic arms matters that were not its concern and got them wrong.

At the forefront was the Pentagon's hypersensitivity Thursday over the B-1 bomber's uncertain future in Congress and its annoyance over some adverse testimony of CIA officials Wednesday.

By second-hand accounts of the secret testimony, the CIA's Ray M. Huffstutler told the defense subcommittee on the Senate Appropriations Committee that the old B-52 bomber would do about as well as the expensive new B-1 in penetrating Soviet air defenses with cruise missiles.

Any such conclusion could severely damage the Reagan administration's hopes of getting Congress to endorse a plan to build 100 B-1s - much modified and now called B-1Bs - at a projected cost of $20.5 billion.

Just before a swiftly arranged press conference Thursday morning, T. K. Jones, a top research and engineering official at the Pentagon, got Huffstutler on the telephone and asked what assumptions he had used to reach his worrying assessment.

As Jones then told it at the press conference, the CIA man "indicated he was not aware" that the B-1 had been significantly changed to avoid Soviet air defenses, since the bomber program was canceled by President Jimmy Carter in 1977.

The CIA was not only ignorant of a major change in a U.S. strategic weapon, the Pentagon panoply of officials implied, but was out of its jurisdiction in evaluating American arms capabilities.

Where had Huffstutler been, not to know about the modified B-1? A reporter asked.

"That's what we asked," said James P. Wade Jr., deputy under secretary of defense for research and engineering.

"His (Huffstutler's) job is to analyze what the Soviets are doing," added Jones, who holds the same rank as Wade and is overseer of bomber development in the office of Defense Secretary Caspar W. Weinberger.

WHAT JONES WAS SAYING, AND WADE ELABORATED, WAS THAT A NATION'S INTELLIGENCE AGENCIES ANALYZE THE MILITARY CAPABILITIES OF OTHER NATIONS. REACHING NET ASSESSMENTS OF RELATIVE CAPABILITIES IS FOR OTHER, MORE SENIOR OFFICIALS.

HUFFSTUTLER HAD ALL THE WORST OF IT THURSDAY. CIA RULES PREVENTED HIM FROM SAYING ANYTHING TO THE PRESS AND WHAT HE SAID TO CONGRESS WAS KNOWN ONLY IN THE MOST FRAGMENTARY FORM - A FEW SENTENCES FROM SEN. TED STEVENS (R-ALASKA), CHAIRMAN OF THE APPROPRIATIONS SUBCOMMITTEE, SKEPTIC ON THE B-1 AND SENATE MAJORITY WHIP.

HUFFSTUTLER IS DIRECTOR OF THE CIA'S OFFICE OF SOVIET ANALYSIS AND BEFORE THAT HE WAS DIRECTOR OF ITS OFFICE OF STRATEGIC RESEARCH, WHICH DEALS IN MILITARY PROBLEMS. HIS FRIENDS SAID THURSDAY THAT HE KNOWS HIS STUFF, BUT THE CIA HAD TO BE CONTENT WITH SAYING, "WE ARE CONFIDENT THIS ISSUE IS GOING TO BE RESOLVED VERY QUICKLY."

EVEN IF IT IS RESOLVED QUICKLY, IT WAS AN UNUSUAL SPECTACLE WHILE IT LASTED. INTER-AGENCY COMBAT IS NOT UNHEARD OF IN THE REAGAN ADMINISTRATION. THE STATE DEPARTMENT PUBLICLY JUMPED ON NAVY SECRETARY JOHN LEHMAN WHEN HE SAID EARLY ON THAT THERE WAS NO NEED TO ABIDE BY STRATEGIC ARMS LIMITATION AGREEMENTS THAT HAD EXPIRED.

BUT THE PENTAGON IS USUALLY MORE SUBTLE IN BROADCASTING ITS DIFFERENCES WITH CIA, AND AT OTHER TIMES THE CIA AND DEFENSE CHIEFS MIGHT HAVE SETTLED THE MATTER QUIETLY.

NOT SO THURSDAY. HENRY E. CATTO JR. THE PENTAGON SPOKESMAN, SHOWED UP AT THE PRESS CONFERENCE WITH WADE, JONES, TWO AIR FORCE ASSISTANT SECRETARIES AND TWO GENERAL OFFICERS. OTHER EXPERTS WERE THERE, TOO, TO ANSWER QUESTIONS THAT DIDN'T EVEN GET ASKED.

THE DEFENSE DEPARTMENT PLAINLY WAS STUNG BY THE SUGGESTION THAT B-1S MIGHT BE UNEQUAL TO THEIR JOB, ESPECIALLY BY SUGGESTIONS BASED ON A MODEL OF THE B-1 THAT THE PENTAGON IS NOT PLANNING TO BUILD, AND BY THE IMPLICATION THEREOF. THAT IMPLICATION IS THAT THE COUNTRY SHOULD SHIP THE B-1 PROJECT AND GO STRAIGHT TO DEVELOPMENT OF THE SO-CALLED "ADVANCED TECHNOLOGY BOMBER", ALSO KNOWN AS "STEALTH."

STEVENS ADVANCED SUCH A VIEW AFTER HEARING THE CIA TESTIMONY.

THE BURDEN OF THE OFFICIALS' STORY AT THE PENTAGON THURSDAY WAS:

- THE B-1 HAS BEEN SO MUCH CHANGED BY DESIGN REFINEMENTS AND NEW ELECTRONICS FOR SPOOFING SOVIET DEFENSES THAT IT CAN PENETRATE THE SOVIET UNION FOR MANY YEARS (THERE IS NO REAL AGREEMENT ON HOW MANY) AFTER IT ENTERS SERVICE IN 1986.

- ONE FACTOR CONSIDERED COMPELLING IS THAT THE NEW B-1 MAKES ONE-TENTH THE IMAGE ON A RADAR SCREEN THAT THE FORMER MODEL DID; AND ONE-HUNDREDTH THE IMAGE THAT A B-52 MAKES.

- THE STEALTH BOMBER IS YET TO BE DESIGNED; DEVELOPED AND TESTED; AND THERE IS NO REAL CERTAINTY ABOUT HOW WELL OR HOW FAST THAT WILL PROCEED.

LT. GEN. KELLY H. BURKE; THE AIR FORCE DEPUTY CHIEF OF STAFF FOR RESEARCH; DEVELOPMENT AND PURCHASE OF WEAPONS; RUEFULLY REMARKED THURSDAY THAT SOME PEOPLE THINK THE AIR FORCE HAS A ''STRONG ANTI-TECHNOLOGY BIAS'' BECAUSE IT WANTS THE B-1 INSTEAD OF AWAITING ARRIVAL OF THE STEALTH.

THE IRONY THERE WAS THAT THE AIR FORCE IS THE SERVICE OFTEN CONSIDERED TO BE AT THE LEADING EDGE OF TECHNOLOGY.

THE B-1; BURKE SAID; COULD PENETRATE SOVIET AIR DEFENSES INTO THE NEXT CENTURY. THE B-52 ''LOOKS LIKE A FLYING BARN DOOR ON A RADAR SCREEN AND THERE IS NOTHING WE KNOW TO DO ABOUT THAT;'' HE SAID.

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WASHINGTON POST
29 October 1981

House Panel Votes No on MX Funding

By George C. Wilson
Washington Post Staff Writer

In the first congressional test of President Reagan's new strategic weapons proposals, the House Appropriations subcommittee on defense yesterday refused to approve any funds for the land-based MX missile but concurred in his plan to build a fleet of 100 B1 bombers.

The subcommittee split 7 to 5 in coming to both important decisions behind closed doors as it marked up the Pentagon's appropriations request for $200.9 billion in the current fiscal year.

Meanwhile, Reagan's request for $2.4 billion for the the B1 in fiscal 1982 also came under fire from normally friendly sectors of the Senate.

Chairman Ted Stevens (R-Alaska), revealed that the Central Intelligence Agency had told the Senate Appropriations subcommittee on defense in a secret session yesterday morning that the existing B52 bomber would do just about as well as the proposed B1 in penetrating the Soviet Union with cruise missiles.

"There is a real substantial conflict in Congress over the B1," Stevens said at the subcommittee hearing, where it was revealed that 100 B1 bombers fitted out for the cruise missile would cost $28 billion, or $280 million a plane, not subtracting the increases attributable to inflation.

Chairman Joseph P. Addabbo (D-N.Y.) of the House subcommittee termed the vote against the MX "a significant expression" by Congress that it is reluctant to approve money for the missile before the administration has decided how and where to deploy it.

Reagan has said that he plans to build 100 MX missiles and probably deploy the first 38 of them in existing missile silos, which many experts feel are vulnerable to enemy attack. He added that he would decide in 1984 how to deploy the remaining MX missiles, with giant airplanes and silos in the West among the possibilities.

"We're not going to give him money to wait and to play with," Addabbo said in explaining why the subcommittee had balked at approving $1.9 billion for building the MX and starting its deployment.

"We know we can't put the MX in these existing silos," Addabbo continued. "If they're vulnerable now, they would be vulnerable after the MX went into them."

Addabbo said he considered the denial of funds a deferral rather than an attempt to cancel the missile program.

Addabbo led the fight against the MX and the B1 within the subcommittee. He said he would renew the fight to block the B1 when the money bill reaches the House floor.

Experts regard it as unlikely that the full House and Senate will finally deny money for the MX, but the final outcome on the B1 appears to be a closer question. A growing number of lawmakers are beginning to doubt whether it is worth spending $28 billion on 100 B1 bombers rather than wait for the B1's successor, the radar-evading Stealth aircraft.

Stevens told Defense Secretary Caspar W. Weinberger, sitting at the witness table, that he doubted there would be enough money to build both the B1 and the Stealth and to keep the B52 fleet flying.

Weinberger, after consulting with aides and leafing through cost books, said that it would cost $20.5 billion in fiscal 1981 dollars to build 100 B1s. This includes $800 million for equipping the B1s to carry cruise missiles, he added. But in actual dollars, allowing for future inflation, Weinberger said the estimate for the 100 B1s was $27.9 billion.

Stevens said the CIA assessment given to the subcommittee yesterday morning hardened his opinion that it might make more sense to put the B1 money into Stealth.

The CIA assessed how B52 and B1 bombers laden with cruise missiles would do against Soviet defenses for the rest of this decade, Stevens said. "There would be practically no difference," Stevens said of the penetration capabilities.

Although the chairman would not elaborate, other sources said the CIA was focusing on the loss rates of B52s and B1s carrying cruise missiles into the Soviet Union. Both bombers would fly low to escape radar beams and try to clear the way through defenses with electronic gadgetry and weapons.

Weinberger denied that the B52 and B1 would have comparable penetration, declaring that the B52 could not be used in that role "beyond mid-decade with any degree of safety or reliability."

General David C. Jones, chairman of the Joint Chiefs of Staff, said that with the reduced radar reflection of the new B1 and its electronic gadgetry for foiling Soviet defenses, "we have very high confidence that well into the 1990s" the B1 could penetrate successfully.

"What we cannot afford," said Weinberger, "is a gap" that he said would open up in the mid-1980s between the B52 and the Stealth if the B1 were not built.

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NEW YORK TIMES
29 OCTOBER 1981

C.I.A. Data Cited as Challenge to B-1

By RICHARD HALLORAN
Special to The New York Times

WASHINGTON, Oct. 28 — Senator Ted Stevens said today that the Central Intelligence Agency had told a subcommittee that existing B-52 bombers could penetrate Soviet air defenses until 1990, contrary to the Adminstration's chief argument for building the new long-range B-1 bomber.

Senator Stevens, Republican of Alaska, who heard the C.I.A. testimony in closed session, said later at an open hearing that the agency's information would contribute to "substantial conflict" in Congress over the B-1.

Mr. Stevens, chairman of the Defense Subcommittee of the Senate Appropriations Committee, favors skipping the B-1 and developing the advanced technology, called "stealth," that could enable warplanes to evade radar detection. He and his counterpart in the House, Representative Joseph P. Addabbo, Democrat of Queens, contend that the United States does not need and cannot afford to build two new bomber fleets, the B-1 for this decade and aircraft equipped with the stealth technology in the early 1990's.

Mr. Addabbo, in a brief interview in a House corridor, said, "The B-1 should go into a museum and we could go ahead with the advanced technology bomber." Congressional officials said his subcommittee had also received the same information on Soviet air defenses from the intelligence agency.

Secretary of Defense Caspar W. Weinberger, who testified along with Gen. David C. Jones, Chairman of the Joint Chiefs of Staff, before Senator Stevens's subcommittee, seemed to be taken aback by the Senator's report on the C.I.A. testimony.

Mr. Weinberger had just testified that the United States would not be capable of penetrating Soviet air defenses in the last five years of this decade without the B-1, which would be an advanced version of the bomber canceled by President Carter in 1977.

When Mr. Stevens unexpectedly disclosed the intelligence agency's estimate, Mr. Weinberger asserted that, "I haven't seen any indication that the B-52 will be able to penetrate beyond mid-decade." He said he wanted to see the information on which the C.I.A. estimate was based.

Also in his prepared testimony, Mr. Weinberger for the first time disclosed how the Administration planned to spend $180 billion in a proposed five-part program to improve the nation's strategic nuclear armament.

$20.5 Billion for B-1

A third of that sum would go toward development and construction of the B-1 and stealth technology bombers, with the B-1 program costing $20.5 billion for 100 planes, Mr. Weinberger said. A relatively small amount would also be spent on air-launched cruise missiles.

Another $42 billion would go toward building Trident submarines and to arm them with D-5 ballistic missiles, more accurate and powerful than the current C-4 missiles. The Electric Boat Company of Groton, Conn., officially turned over the first Trident submarine, the Ohio, to the Navy today. The ship is scheduled to be commissioned Nov. 11.

The MX intercontinental missile program, which has so far been the most hotly debated aspect of the new plan, would require $34 billion. Mr. Weinberger said that as many as 50 of the new missiles might be placed in extra-hardened silos, rather than 36 as he had previously announced. But he added that fewer might go into such silos if a better basing method could be developed by 1984.

Mr. Weinberger said the Administration would seek $23 billion to improve warning systems, conduct research on defense against ballistic missiles, pursue development of an anti-satellite system and to expand civil defense.

Improved Communications Sought

Last in cost but first in priority, the Administration wants to spend $18 billion to improve command and control systems that the President and his senior aides would use to communicate with the forces armed with nuclear weapons.

Senator Stevens, in the hearing this morning, contended that the B-1 was "really nothing more than a hedge" until the stealth-technology bomber came into operation. He asserted that the United States, with its advanced space technology, should be able to develop the stealth bomber without spending $20 billion on the B-1.

Mr. Weinberger argued that the B-1 was not a hedge "but a cover over a period when we cannot guarantee penetration" of Soviet air defenses. He maintained that a date for the deployment of the stealth-technology bomber was not certain because it was still in the development stage.

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THE NEW REPUBLIC
7 October 1981

THE AWACS RAW DEAL

In 1977 the Carter administration proposed the sale of seven Airborne Warning and Command Systems to the shah of Iran. Israel was not an issue. Members of Congress who were skeptical about the sale could not be accused, as William F. Buckley Jr. has accused opponents of the current Awacs sale to Saudi Arabia, of trying to "outdo [each other] in servility to Begin." Nor could it be said then, as Carl Rowan says now, that "the Begin administration and its US supporters . . . push[ed] Americans into strife over the Awacs." Yet strife there was over the Iranian Awacs. Senator Thomas Eagleton needed no pushing to conclude, "About the only positive aspect of selling the sensitive weapons system to Iran is the possibility of reducing the unit cost of the US Air Force Awacs." Hubert Humphrey was able, all by himself, to summarize the case for the sale in four words: "The shah expects it." Congress blocked the sale to Iran because flattering the shah and helping the Air Force amortize its cost overruns did not seem to be worth the risk of jeopardizing the security of a weapons system that the Air Force had called "the most revolutionary development in air power since the invention of radar." The CIA estimated that the Awacs represented a five- to seven-year US technological advantage over the Soviets. The senators were afraid then, as John Glenn and others are now, that giving up US control over the planes would expose them to compromise by means of theft, espionage, or revolution. After all, even our NATO allies cannot operate Awacs except under joint command with the US. The Carter administration countered with a flurry of assurances: the shah's regime was stable; Iranian security arrangements were "of a very high order"; Iran's security record was excellent. (Iran's F-14s and Phoenix missiles were cited as examples.) Secretary of State Cyrus Vance assured the House of Representatives that "Awacs security will be protected." Congress was unconvinced, and the Awacs sale was withdrawn by the administration. It was finally resubmitted later in the year and approved only after Congress had been given additional assurances that special security guarantees would be provided.

The rest, as they say, is history. Within 18 months the shah had been overthrown. The F-14s and Phoenix missiles were lost. When the US Navy was ordered into the Indian Ocean after the Iranian revolution, it had to devise countermeasures against *American*-made Harpoon antiship missiles, now in hostile Iranian hands. The only major weapons system that was not compromised was the Awacs—they had not yet arrived. They were scheduled for delivery in 1981.

With the fall of the shah, the US had to redesign not only its weapons systems but its Persian Gulf policy as well. Under the Nixon doctrine—which held that since the American people would not longer tolerate direct American military involvement overseas, US interests would have to be entrusted to surrogate powers—the shah had acted as our agent in the gulf. When the shah was swept away, the Nixon doctrine went with him. It became clear that if the US is to protect its strategic interest in the Persian Gulf—i.e., access to oil—then it must be able to project its own power in the region.

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NEW YORK DAILY NEWS
2 September 1981

MX can deck Soviets: CIA

Study gives 1st-strike threat big boost

By LARS-ERIK NELSON

Washington (News Bureau)—The Central Intelligence Agency has concluded that Russia's land-based missile force, the heart of Soviet nuclear weaponry, is more vulnerable than previously thought to an attack by America's proposed MX missile, government sources said yesterday.

The new, secret CIA estimate raises the prospect that, if the controversial MX should be developed and deployed, the United States would have a high-confidence capacity to destroy Russia's land-based missile force in a preemptive first strike.

Paradoxically, the development of any such weapon increases the likelihood of Soviet nuclear attack on the U.S., opponents of the MX say. They say that the Russians would strike before the U.S. deployed a missile that could disarm them.

The MX is currently the center of a debate about President Reagan's defense budget, his nuclear strategy and his commitment to arms control. Proponents of the weapon have said it would close a "window of vulnerability" that allegedly threatens the current U.S. land-based missile force, which is buried in fixed silos. Opponents say it would destabilize the existing nuclear balance and lead either to an arms race or a preemptive Soviet attack.

REAGAN INDICATED last week that he is firmly committed to proceeding with the MX, a 72-foot, 10-warhead missile that is estimated to cost between $34 billion and $70 billion over the next five years. It was designed for two purposes: as a mobile weapon less easily targeted than a missile in a fixed silo, and as a highly accurate "silo buster" capable of destroying heavily protected Soviet missiles and command centers.

The Pentagon acknowledged last week, however, that a Soviet attack could annihilate the MX in either of the two proposed mobile basing modes now under construction.

The silo-busting capacity alarms supporters of arms control. In theory, the U.S. would use a silo-busting missile only in a retaliatory strike on Russia. But MX opponents say the Russians have no way of being sure that the MX would not be used for a first strike on their 1,398 land-based missiles.

The threat of Soviet missiles accurate enough to destroy America's land-based missiles inside their silos was the reason the Carter administration decided to proceed with the multibillion-dollar MX program.

ONE SKEPTIC suggested that CIA Director William Casey had approved the new estimate of increased Soviet missile vulnerability to provide Reagan with a political justification to go ahead with the MX.

According to this source, it did not dawn on Casey that the MX, by threatening Russia with a first strike, would destabilize the U.S.-Soviet nuclear balance.

Another source said the revised CIA estimate was not the result of any newly discovered accuracy on the part of the MX—which can land within 300 feet of its target after a 5,000-mile flight. Rather, he said, the CIA had probably lowered its estimates of the hardness of Soviet missile silos. ■

UPI

12 August 1981

R W

(CIA)

(BY DANIEL GILMORE)

WASHINGTON (UPI) -- THE HERITAGE FOUNDATION, A CONSERVATIVE THINK TANK, TODAY BLUNTLY CRITICIZED PRESIDENT REAGAN FOR NOT PAYING ADEQUATE ATTENTION TO PROBLEMS OF THE INTELLIGENCE-GATHERING COMMUNITY.

THE FOUNDATION, WHICH IN THE PAST HAS BEEN SUPPORTIVE OF A STRONG AND VIGOROUS U.S. INTELLIGENCE CAPABILITY, ALSO ACCUSED THE CIA OF "STAGGERING FAILURES" IN INFORMATION ANALYSIS.

IT REPORTED IN ITS NATIONAL SECURITY RECORD PUBLICATION THAT REAGAN, WHOSE ADMINISTRATION HAS ADOPTED MANY SUGGESTIONS MADE IN THE FOUNDATION'S PRE-ELECTION POSITION PAPERS, WAS NOT GIVING ENOUGH ATTENTION TO INTELLIGENCE.

"RECENT EVENTS HAVE DEMONSTRATED THAT THE REAGAN ADMINISTRATION IS NOT GREATLY CONCERNED WITH THESE PROBLEMS AT THE PRESENT," IT SAID. "JUST AS THERE HAS BEEN A FAILURE TO INITIATE NEW DEFENSE POLICIES, REFORMING THE INTELLIGENCE COMMUNITY APPEARS TO HAVE LOW PRIORITY."

THE FOUNDATION SAID "DRASTIC REFORM" WAS CALLED FOR IN THE CIA'S ABILITY TO ASSESS DATA AND GATHER INTELLIGENCE IN AN ATMOSPHERE FREE FROM "INSTITUTIONALIZED BIAS."

THE MOST IMPORTANT STEP THE REAGAN ADMINISTRATION COULD TAKE, THE FOUNDATION SAID, WOULD BE TO SET UP AN INDEPENDENT COMMISSION COMPOSED OF VETERAN ANALYSTS AND CRITICS.

"TO DRIVE THROUGH NEEDED CHANGE, A HIGH-POWERED, INDEPENDENT COMMISSION IS ESSENTIAL," IT SAID.

THE REPORT SAID "DISCUSSION OF FAULTY INTELLIGENCE ASSESSMENTS MUST FOCUS ON THE CIA, THE DESIGNATED PRODUCER OF NATIONAL INTELLIGENCE ESTIMATES FOR THE PRESIDENT AND OTHER TOP POLICY MAKERS."

THE DEFENSE INTELLIGENCE AGENCY, THE NATIONAL SECURITY AGENCY, THE MILITARY INTELLIGENCE SERVICES AND THE STATE DEPARTMENT BUREAU OF INTELLIGENCE AND RESEARCH CONTRIBUTE TO THE INTELLIGENCE ESTIMATES, IT SAID, BUT THE FINAL CIA REPORTS ARE CONSIDERED "NATIONAL."

"ALTHOUGH AGENCIES MAY REGISTER A FORMAL DISSENT ON PARTICULAR POINTS," IT SAID, "A HIGH VALUE IS PLACED ON CONSENSUS, EVEN UNDER THE BEST OF CIRCUMSTANCES. THIS EMPHASIS RESULTS IN AN ENSHRINEMENT OF THE LOWEST COMMON DENOMINATOR OF INTELLIGENCE OPINION AND ALL TOO OFTEN LEADS TO 'PARTY-LINING' OR ANTICIPATING THE VIEWS OF POLICYMAKERS."

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ON PAGE 4

NATIONAL SECURITY RECORD
THE HERITAGE FOUNDATION
AUGUST 1981

Insiders Rep

Tracking the Issues through

Diverting Attention from Intelli

The outcry which led to the resignation of Max Hugel, third ranking official at the Central Intelligence Agency, and which has badly weakened the prestige and effectiveness of William Casey, Director of Central Intelligence, is rooted in public and congressional concern over the effectiveness of the intelligence community. The fact that both of these officials lacked contemporary intelligence experience and were appointed because of their work in the 1980 presidential campaign has been publicly deplored by prominent public officials, and there has been pressure for "intelligence professionals" to fill both positions. Mr. Hugel's successor, John Stein, is such a professional, a veteran of the operations directorate of the CIA.

There is a strong consensus both in Congress and among the general public to improve the quality of American intelligence, and a feeling that this can best be achieved by removing restrictions from the professionals in the community. This interest is demonstrated by the careful manner in which the Senate is approaching the issue of exempting the intelligence community from the provisions of the Freedom of Information Act. Currently two bills, S.1273 introduced by Senator John Chafee, and S.1235 sponsored by Senator Alphonse D'Amato, are being considered by the Senate Select Committee on Intelligence. Both of these bills are designed to help the intelligence community preserve necessary secrecy while doing as little violence as possible to the principle of freedom of information.

In other actions, Congress is moving closer to adopting the Intelligence Identities Protection Act (S.391 and H.R. 4). This act is attempt to frustrate a number of groups committed to destroying U.S. intelligence, which among other efforts publish names of individuals which they claim are CIA agents. Opposition to this act has come primarily from the American Civil Liberties Union, which contends that careful study of State Department records will reveal the identity of CIA agents and that hence this information is in the public domain. The recent Supreme Court decision, *Haig vs. Agee*, which ruled that the lifting of Philip Agee's passport in 1974 was constitutional, concluded: "Agee's disclosures, among other things, have the declared purpose of obstructing intelligence operations and the recruiting of intelligence personnel. They are clearly not protected by the Constitution." This Supreme Court decision is evidence that any effort to challenge the Intelligence Identities Protection Act on constitutional grounds will not be successful.

It is unfortunate that upgrading the performance of American intelligence has become so firmly identified with insulating the intelligence bureaucracy from outside competition. This identification has been reinforced by the Hugel affair. Before the election there had been recognition that within the intelligence community there were severe problems with the analytical bureaucracy, and that any effort to reform this would require at the very least

community. As the

We will rees
telligence Adviso
ministration, as a permanent non-partisan body of distinguished Americans to perform a constant audit of national intelligence research and performance. We will propose methods of providing alternative intelligence estimates in order to improve the quality of the estimates by constructive competition.

Yet Mr. Casey's commitment to the competitive estimates process has been lukewarm at best. In his first address to the CIA staff, he stated:

> I found in SALT I, for example, that some of the judgements were soft. They leaned toward a kind of benign interpretation rather than a harder interpretation of assessing or viewing a situation as being more dangerous....At the PFIAB I supported a competitive assessment process, but I am open as to how that can best be done. Like anyone else I am in favor of improving our analytical capabilities—that is something easy to be for.

Mr. Casey's actions since this address was made have confirmed its tone. None of the important critics of the intelligence analytical process has been appointed to the CIA staff. A special National Intelligence Council at the CIA, formed to "upgrade the system under which national intelligence estimates are produced," is dismissed by many as decorative. They note that the chairman of the new panel, Henry Rowen, was associated with many of the intelligence failures of the 1960s and early 1970s while president of the RAND Corporation, even though in the late 1970s he criticized the "CIA's optimistic assessments of Soviet military strength." They also point out that the panel is empowered only to make minor changes in the existing system, rather than radical improvements.

Of even more concern are the persistent reports that the plans for reconstituting PFIAB will no longer give it direct access to the President. Instead, it will report to the Director of Central Intelligence. The "A-Team/B-Team" experiment in competitive analysis would not have been carried out if PFIAB had not had this access to the President, and there are real concerns that if PFIAB is so constituted it will become a prisoner to the intelligence bureaucracy.

It would appear as though the result of the Hugel resignation and the criticism it brought upon Mr. Casey has been to increase his dependence on the intelligence bureaucracy. His ability to challenge established institutions and mental patterns within the CIA has been undercut, and any confrontation with department heads or national intelligence officers would have a detrimental effect on his image if leaked. Firm action is needed by the White [illegible] be immediately reestablished, and with its backing Mr. Casey should be given the authority to make some badly needed institu-

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ON PAGE 1

NATIONAL SECURITY RECORD
THE HERITAGE FOUNDATION
AUGUST 1981

Reforming Intelligence Analysis

Currently Congress has approved or is considering a number of measures to correct the damage done to the U.S. intelligence community in the past decade. Under the leadership of Senator Frank Church and other prominent legislators, Congress enacted a number of hastily conceived restrictions which effectively dismantled America's capacity for covert intelligence operations. Measures now being considered to rectify the problems include repeal of the Hughes-Ryan amendment, which established extensive congressional oversight of covert intelligence activities, repeal or extensive modification of the Freedom of Information Act and adoption of an Intelligence Identities Protection Act. The Reagan Administration also is studying means to restore the intelligence community to its former importance, such as re-establishing the President's Foreign Intelligence Advisory Committee (PFIAB), which was abolished by President Carter in 1977.

Such steps are badly needed if the United States is ever to regain its ability to conduct covert operations, or indeed to collect data from sources other than technical means of surveillance. Yet, taken on their own they do nothing to help, and may even impede correction of the most significant problem facing the U.S. intelligence community—correctly analyzing and assessing the data it possesses. This is a long-standing problem that has intensified in recent years, especially under the Carter Administration.

A RECORD OF FAILURE

Discussion of faulty intelligence assessments must focus on the Central Intelligence Agency, the designated producer of National Intelligence Estimates for the President and other top policymakers. Although the Defense Intelligence Agency, the National Security Agency, the military intelligence services, and the State Department Bureau of Intelligence and Research contribute to the NIE, their own reports are more specialized to fit the in-house needs of the Departments of Defense and State, respectively. By contrast, CIA reports are considered "national"; the analytical branch of the agency is the National Foreign Assessment Center, and the section heads for regional and topical analysis are termed National Intelligence Officers. When an NIE is produced, the CIA selects the precise topic and assigns the principal drafter, whose task is to produce a paper reflecting a consensus of the views of the intelligence community. Although agencies may register a formal dissent on particular points, a high value is placed on consensus. Even under the best of circumstances this emphasis results in an enshrinement of the lowest common denominator of intelligence opinion, and all too often leads to "party-lining" or anticipating the views of policymakers.

However, this process of forced consensus is not sufficient to explain these staggering failures of the intelligence community:

- Until 1979 the NIEs contended that the Soviet Union would not place offensive weapons in Cuba. To contend otherwise was to assert that the Soviet Union was violating the 1962 agreement ending the Cuban missile crisis (amended in 1970). Therefore the stationing of MiG-23 and MiG-27 fighter-bombers, the construction of submarine pens, and the frequent visits of major Soviet naval units were noted but not assessed as being of any significance. Only the revelation of the presence of a Soviet combat brigade in Cuba just prior to the 1980 election campaign forced modification of this assessment.
- Until December 1979 it was contended that the Soviet Union would not invade Third World countries, such as Afghanistan, with its own troops. Attention was focused instead on "proxy wars," which enormously improved the strategic situation of the U.S.S.R. in the Third World.
- The intelligence community predicted well into 1978 that the Shah of Iran would remain in power for the duration of the 1980s and that Iran was not in a pre-revolutionary state. Challenging this assumption meant questioning American reliance on Iran as the "policeman of the Gulf."
- In 1981, after the Reagan Administration called attention to Soviet use of terrorism as a weapon against Western nations and pro-Western Third World governments, the CIA retroactively identified over a thousand terrorist acts in the previous year that it had not counted earlier.
- The CIA produced a study on Soviet oil production in 1977 predicting a major oil crisis within a decade. This study was not substantiated by other analyses—either by the oil industry, European research centers, or the DIA—and yet was perfectly suited for President Carter's contention that increased Soviet need of Western drilling technology would strengthen detente. The 1977 predictions proved embarrassingly inaccurate, and were drastically revised in January 1981.

Yet it is in the area of assessing the extent of the Soviet strategic buildup during the 1960s and 1970s, and in estimating Soviet defense expenditures, that the intelligence community has accumulated its most dismal record. Albert Wohlstetter's documentation of continual annual CIA strategic underestimates during the 1960s goes far toward explaining the deplorable U.S. experience with arms control, including CIA's failure to recognize Soviet SALT deception, and the current radical change in the

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ARTICLE APPEARED ON PAGE 30.

WALL STREET JOURNAL
15 July 1981

Soviets Call for Better Ties With U.S., But Don't Seem Willing to Soften Stance

Special to THE WALL STREET JOURNAL

MOSCOW—Leonid Brezhnev sent his best wishes to the American people on the Fourth of July and addressed the letter to Ronald Reagan, but there weren't any personal regards for the President.

The note, published on the front page of Pravda, the Communist Party daily paper, gives a good indication of Soviet-U.S. relations six months after the Reagan administration took office. "If relations were near zero on a scale of 0-to-10 (in January), then they're not much better now," a Western diplomat says.

The querulous mood of the Soviet press is as sharp as ever. The daily cartoon in Pravda frequently shows fat, cigar-chewing American generals or politicians causing trouble in places such as El Salvador.

But the Soviets still want to talk. They say so again and again in the newspapers, on foreign radio broadcasts and in statements from Tass, the official news agency. "The U.S.S.R. wants normal relations with the U.S.A.," Mr. Brezhnev said in his report to the last Communist Party Congress. "There is simply no other sensible way."

But Western analysts don't see any signs that the Kremlin is ready to make the concessions that will be required to improve relations.

Soviet View of U.S.

The following quotations from Mr. Brezhnev's February 23 speech illustrate what rankles the Soviet leadership about U.S. policy:

—"Visibly more active of late are the opponents of detente (and) of limiting armaments. . . ."

—"Adventurism and a readiness to gamble with the vital interests of humanity for narrow and selfish ends—this is what has emerged. . . ."

—"Military expenditures are rising unprecedentedly . . . A considerable portion of these tremendous sums is being spent on crash development of new types of strategic nuclear arms."

There is little doubt that the Soviets feel bound to match U.S. arms programs. As Defense Minister Dmitri Ustinov has said, "We will match any challenge, and match it effectively." But this would further strain the Soviet economy, which is struggling to halt a decline in one of the lowest living standards in Europe. The Soviet Union puts more money and people into defense than does the United States, and it has been doing so for years.

According to a CIA estimate, Soviet defense costs, if calculated in dollars, exceeded comparable U.S. spending by 40% between 1971 and 1980. This is somewhat misleading, however, because prices in the Soviets' controlled economy can't be directly compared with the more competitive prices in the free market economies of the West. However, the spending figures do give some indication that the Soviets have outpaced U.S. defense spending.

"They are confident they can keep it up, but it will be painful," a high-ranking Western diplomat says. The justification is security, the top priority for Russian rulers since the overthrow of the Mongols in the 1300s. "They see Afghanistan and Poland as vital for the defense of the homeland, and this justifies the most outrageous acts, like putting in a puppet government," a Western diplomat says.

Assessing actions farther away is difficult. Some observers blame the Kremlin for every flare-up, while the Soviets say they are favored by a historical process they call the shifting correlation of forces. "Their motives look more insidious than we think ours are for seeking influence around the world," a Western analyst says.

The invasion of Afghanistan was viewed by some as the last drastic move of an aging Politburo. But now the Polish crisis is testing Moscow's tolerance. And Poland will remain a cause of concern because of fear that the "Polish Disease" will infect the minds of workers in Hungary and Czechoslovakia. There is also the military concern of maintaining access to East Germany. If Solidarity, the trade-union movement, runs the railroads, Moscow reasons, who can guarantee that the troop trains will run smoothly?

The prospect of concession after concession to the Poles is reflected in the Soviet press. In addition, the Soviet military daily Red Star recently accused NATO intelligence services of whipping up anti-Soviet feelings in order to tear Poland away from the socialist bloc.

The China Problem

China is another headache. With an estimated 46 Soviet divisions strung out along the Chinese border, U.S. arms sales to Peking would be "an escalation of recklessness," in the words of a recent Pravda headline. "The Soviet Union cannot remain indifferent in the face of a new, dangerous turn in Sino-American relations, especially of plans to provide China with modern U.S. weapons, military gear and technology," Pravda said. "These actions . . . can only be described as hostile."

The statement was signed by the pseudonymous I. Alexandrov, whose commentaries in weekend editions of the party daily supposedly reflect the proceedings of the previous Thursday's Politburo session.

Still, Moscow continues to show restraint. "There's been a lot of screaming, but they're waiting to see the worst," a Western diplomat says.

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ON PAGE A-5

WASHINGTON STAR (GREEN LINE)
8 JULY 1981

Ex-Rand Corp. Chief To Head CIA Panel

The Reagan administration has selected Henry S. Rowen to head a newly created National Intelligence Council at the Central Intelligence Agency, administration officials said yesterday.

Rowen, a former president of the Rand Corp. who resigned in 1971, partly because of Pentagon dissatisfaction with Rand's security arrangements for the Pentagon papers, has until recently been a professor at Stanford University's Graduate School of Business. He has already begun working at the CIA, but his appointment has not been announced.

According to administration officials, William J. Casey, the director of central intelligence, chose Rowen for the post and decided to create the council to upgrade the system under which national intelligence estimates are produced.

New York Times Service

CHICAGO SUN-

5 July 1981

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THIS IS ANOTHER IN A CONTINUING CHICAGO SUN-
PROBLEMS PRESIDENT REAGAN FACES AS HE ATTEMPT
DEFENSE PROGRAM.

"AMERICA'S DEFENSE STRENGTH IS AT ITS LOWEST
WHILE THE SOVIET UNION IS VASTLY OUTSPENDING
CONVENTIONAL ARMS."

-PRESIDENT REAGAN'S ACCEPTANCE SPEECH
AT THE 1980 GOP NATIONAL CONVENTION

BY PATRICK OSTER

(C) 1981 CHICAGO SUN-TIMES (FIELD NEWS SERVICE)

WASHINGTON - ONE OF THE MAIN UNDERPINNINGS OF PRESIDENT REAGAN'S PLAN TO SPEND ABOUT A TRILLION AND A HALF DOLLARS ON HIS MILITARY BUDGET IN THE NEXT FIVE YEARS IS BASED ON QUESTIONABLE DATA.

THE PRESIDENT HAS SAID SUCH HUGE SUMS MUST BE SPENT, PARTLY BECAUSE THE SOVIETS ARE OUTSPENDING THE UNITED STATES BY NEARLY 3-1 ON STRATEGIC WEAPONS AND BY 2-1 ON CONVENTIONAL ARMS.

AND DEFENSE SECRETARY CASPAR W. WEINBERGER, SEEKING TO JUSTIFY THE ADMINISTRATION'S STAGGERING PROPOSALS FOR DEFENSE BUDGET INCREASES TO CONGRESS, SAID THAT THE SOVIETS ARE OUTSPENDING THE UNITED STATES OVER ALL IN DEFENSE BY 50 PERCENT.

THESE FIGURES ARE USED BECAUSE THEY HAVE THE RING OF AUTHORITY, HAVING COME FROM AN ANNUAL ASSESSMENT OF SUCH SPENDING BY THE CIA.

BUT THE SHORTCOMINGS OF THE METHODS THE CIA USES TO COMPUTE SUCH COMPARISONS - AND THE CAVEATS THE AGENCY ITSELF PUTS ON ITS FIGURES - BRING INTO QUESTION THE URGENCY AND NEED THE ADMINISTRATION SAYS THERE IS TO CATCH UP WITH THE SOVIETS MILITARILY.

THE CIA ACKNOWLEDGES THAT ITS FIGURES MAY BE OFF BY 15 PERCENT EITHER WAY. THUS, BY CIA CALCULATIONS, THE SOVIETS MAY BE OUTSPENDING THE UNITED STATES ON DEFENSE BY ANYWHERE FROM 35 PERCENT TO 65 PERCENT. SIMILARLY, WHEN THE CIA CALCULATES U.S.-SOVIET DEFENSE SPENDING IN SOVIET RUBLES RATHER THAN U.S. DOLLARS, IT FINDS THAT THE SOVIETS ARE OUTSPENDING THE UNITED STATES BY 30 PERCENT - ABOUT HALF THE FIGURE WEINBERGER USED.

THE CIA WARNS, TOO, THAT ITS FIGURES ONLY GIVE A MEASURE OF WHAT THE UNITED STATES AND THE SOVIET UNION PUT INTO THEIR DEFENSE PROGRAMS, NOT A GAUGE OF WHAT THOSE PROGRAMS PRODUCE.

"DOLLAR VALUATIONS," THE 1981 REPORT SAYS, STILL MEASURE INPUT RATHER THAN OUTPUT AND SHOULD NOT BE USED AS A DIRECT MEASURE OF THE RELATIVE EFFECTIVENESS OF U.S. AND SOVIET FORCES.

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ON PAGE A-4

THE WASHINGTON POST
1 July 1981

Persian Gulf Study Rates Politics as Top Concern

By Michael Getler
Washington Post Staff Writer

Challenges to American interests in the oil-rich Persian Gulf are more likely to arise from political factors, such as the internal stability of Saudi Arabia and Pakistan and the course of Arab-Israeli relations, than from a direct military challenge by the Soviet Union, according to a report released today by the Carnegie Endowment for International Peace.

"Nonetheless, judgments by leaders in the Persian Gulf about the relative Soviet-American military balance and who is and is not willing to use force will have an important bearing on their behavior," the report says. "In other words, the problem [for U.S. foreign policy] goes beyond deterring an actual Soviet attack . . . to the far more complicated task of neutralizing the political effects of Soviet military power in the area."

The 194-page report was produced by a panel of retired military leaders, former government national security specialists, businessmen, scientists, academics and journalists.

Although the panel's most timely points deal with the Persian Gulf, the report also says:

• "There are serious problems in estimating Soviet defense costs." Spending comparisons with the United States "are of limited value" and can "be very misleading." While such U.S. intelligence estimates are acceptable for showing general trends, the limitations of these comparisons are overlooked in political debate, and a more realistic assessment must focus on other factors.

• Contrary to a view frequently expressed, the NATO forces in Europe "probably would fare acceptably well in defending against a standing-start attack from the [Soviet-led] Warsaw Pact." But the allies would face "a considerably more difficult task" if an attack came after Warsaw Pact forces had even a short time to mobilize. Here, too, the problems for the West are mostly political. Would the 15 NATO nations be able to act quickly enough to mobilize themselves and would France, which is outside NATO's military command, join with the allies?

• At sea, the western navies "have more and better" capabilities than Moscow and its allies have, although the West also has a far tougher job in terms of keeping ocean supply lines open. But the big question is what should be the role, size and composition of the U.S. fleet?

In the Persian Gulf, the report says, there is an American consensus on the need to deter the Soviets and build up U.S. forces, but this does not constitute a strategy. To produce a strategy, one question that needs to be addressed is whether to continue emphasizing the Soviet threat or to give more priority to coping with the political and economic instabilites in the region.

In another finding that contradicts some other commonly held assessments, the panel said there are so many uncertainties about the outcome of a Soviet-American armed clash in the area that Moscow "could not count on a successful attack, let alone a swift or easy victory." The exception is in northern Iran, which would be hard for U.S. forces to reach and which is near major Soviet troop concentrations across the border.

On the other hand, the report says Moscow "likely would prevail" if the conflict were prolonged and the Soviets were willing to commit forces from other theaters. A key factor in the outcome for the West, however, would be which countries would join the battle and on whose side — a question not easy to answer, the panel says.

NEW YORK TIMES
July 1981

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NEW-TIMES (FIELD NEWS SERVICE)

WASHINGTON - SOVIET AND WARSAW PACT FORCES WOULD FACE GREAT RISKS AND COSTS IF THEY CHALLENGED U.S. AND OTHER WESTERN MILITARY FORCES IN EUROPE; THE PERSIAN GULF OR ON THE HIGH SEAS; A PRESTIGIOUS PANEL HAS FOUND.

THE FINDING OF THE CARNEGIE PANEL ON U.S. SECURITY AND THE FUTURE OF ARMS CONTROL; RELEASED WEDNESDAY; RUNS COUNTER TO THE IMPRESSION MANY HAVE THAT THE SOVIETS ARE 10 FEET TALL MILITARILY.

HOWEVER; THE STUDY OF THE 26-MEMBER PANEL; ESTABLISHED BY THE CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE; DID CONTAIN A WARNING THAT CURRENT TRENDS IN MILITARY SPENDING AND PRACTICES COULD PLACE THE WEST AT A DISADVANTAGE SHOULD A CONFLICT COME IN THE NEXT FEW YEARS.

PRESIDENT REAGAN; THE CONGRESS AND THE U.S. PUBLIC FACE TOUGH DECISIONS IN COUNTERING THOSE TRENDS; THE STUDY WARNED. THE PANEL; COMPOSED OF MILITARY; NATIONAL SECURITY; BUSINESS; LEGAL; SCIENTIFIC AND JOURNALISTIC EXPERTS WITH DIFFERING VIEWS; URGED THAT THE FOLLOWING POINTS BE CONSIDERED IN MAKING THOSE DECISIONS:

- THE TRADITIONAL APPROACH OF COMPARING U.S.-SOVIET DEFENSE SPENDING HAS "LIMITED VALUE" GIVEN THE TECHNIQUES THE CIA USES IN COMPUTING SUCH TOTALS. "THE CIA HAS DIFFICULTY FINDING OUT HOW MUCH OF WHAT IS PRODUCED AND AT WHAT PRICE IN RUBLES;" THE PANEL FOUND. "EVEN IF THE CIA HAD FULLY ACCURATE INFORMATION ON THE RUBLE VALUE OF RESOURCES THE SOVIETS ARE PUTTING INTO DEFENSE; THE PROBLEM OF ASSIGNING A TRUE DOLLAR VALUE FOR THOSE RESOURCES REMAINS." (FOR EXAMPLE; U.S. SOLDIERS ARE BETTER TRAINED; EDUCATED AND PAID AND U.S. TECHNOLOGY IS SEVERAL LEVELS ABOVE ITS SOVIET COUNTERPART IN SOPHISTICATION.)

- EVEN IF MONETARY COMPARISONS WERE AVAILABLE; THEY ARE NOT A TRUE INDICATION OF RELATIVE MILITARY CAPABILITIES. THEY WOULD NOT REFLECT THE TECHNOLOGICAL SUPERIORITY OF WEAPONS; THE DIFFERENT THREATS THOSE WEAPONS AND TROOPS ARE DESIGNED TO MEET; OR THE CONTRIBUTION OF ALLIES.

- CIA SPENDING COMPARISONS; THE KEY SOURCE OF DEBATE ON THE NEED TO INCREASE U.S. DEFENSE SPENDING; DO AT LEAST GIVE "A SENSE OF SPENDING TRENDS;" THE PANEL FOUND. "SOVIET INCREASES IN DEFENSE EXPENDITURES; ESPECIALLY IN THE AREA OF INVESTMENT; HAVE LED AND WILL CONTINUE TO LEAD TO IMPROVED MILITARY CAPABILITY RELATIVE TO THE UNITED STATES . . . IT LOOKS AS THOUGH THE TROUBLING TRENDS WILL CONTINUE."

Those concerned about a possible Soviet attack - short of nuclear war -should keep in mind, the panel found, that in Central Europe, a likely battle theater, NATO forces have the ability to ''fare acceptably well.'' The smaller NATO forces have a defensive mission in Europe, which requires less arms, while Warsaw Pact forces seem designed to take the initiative with ''shock and massive firepower in tanks, artillery and armored fighting vehicles,'' the panel found.

The statement that NATO forces would do well assumes that the Warsaw Pact forces would strike from a ''standing start.'' NATO forces, the panel said, ''would face a considerably more difficult task defending against a Pact attack after a short period of mobilization.''

The Soviets, nonetheless would still face uncertainties regarding the effectiveness of a NATO response because ''it is difficult to predict exactly what forces are likely to be engaged in a conflict.'' The presence of U.S. forces shows the United States commitment to defense of Europe. But the political problems in getting NATO nations to act quickly and decisively to meet a Soviet attack ''will have a tremendous impact on NATO's ability to defend Europe,'' the study states.

The Soviets, in turn, can't rely on their Warsaw Pact allies for total loyalty in any fight against their European brethern, the panel said.

On the high seas, Western nations have a better naval capability than the Soviets and their allies. But the Soviets need less capability because they have a more limited task than the West's mission to control long sea lanes and critical ocean areas. They Soviets only seek to deny the West that control, the panel found.

As a result, the panel stated, ''The capability of Western forces to perform their naval missions under certain circumstances and in certain areas of the world in a timely manner and at acceptable costs has become increasingly uncertain.''

The current Western naval superiority stems from having more major warships - aircraft carriers, major surface combat ships and nuclear submarines - and from being aided by land-based air forces. Such an edge is vital to assure that when the West's 30-days of pre-positioned supplies runs out in key areas of the world, sea lanes are open to provide equipment and munitions for an extended conflict.

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THE U.S. NAVY, HOWEVER, IS LESS ABLE TO DO ITS JOB TODAY THAN IT ONCE WAS, THE PANEL FOUND, BECAUSE "THE UNITED STATES DID NOT BUILD ENOUGH SHIPS TO MAINTAIN THE MARGIN OF ADVANTAGE IN NAVAL CAPABILITIES IT HELD OVER THE SOVIET UNION IN THE 1950S AND 1960S."

IN DECIDING WHETHER TO CHANGE THIS TREND, SUCH AS BY BUILDING THE NAVY BACK TO A 600-SHIP FLEET, THE REAGAN ADMINISTRATON AND CONGRESS WILL HAVE TO DECIDE WHETHER THE BILLIONS OF DOLLARS SUCH A MOVE WOULD COST SHOULD BE TAKEN AWAY FROM OTHER DEFENSE PROGRAMS. A KEY CONSIDERATION IN WEIGHING A SHIP BUILD-UP WOULD BE THE CONTINUED WISDOM OF HAVING A PERMANENT NAVAL PRESENCE IN THE INDIAN OCEAN TO PROTECT PERSIAN GULF OIL FIELDS VITAL TO THE WEST, THE PANEL STATED.

CHALLENGES TO U.S. INTEREST IN THE PERSIAN GULF, THE PANEL CONCLUDED, "ARE MORE LIKELY TO BE POLITICAL (SUCH AS THHE FUTURE STABILITY OF SAUDI ARABIA AND PAKISTAN, AND ARAB-ISRAELI RELATIONS) THAN MILITARY, AND THAT MILITARY THREATS ARE MORE LIKELY TO COME FROM WITHIN THE REGION THAN DIRECTLY FROM MOSCOW."

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ON PAGE A-12

THE PHILADELPHIA INQUIRER
24 June 1981

Deception

To the Editor:

I would like to point out that once again our government evidently has adopted a strategy of deception, similar to the one that culminated in the Tonkin Gulf resolution and the Vietnam War. Among the distortions and deceptions practiced in the last two years have been these events:

• Zbigniew Brzezinski admitted in an interview in a British magazine that U.S. officials had exaggerated the threat to the Persian Gulf posed by the Soviet invasion of Afghanistan.

• Former Undersecretary of State David Newsom recently revealed in Foreign Policy magazine that President Jimmy Carter's commitment to restrain the Soviets in the Persian Gulf "grew out of last-minute pressures for a presidential speech" and was based on a misunderstanding of Soviet intentions.

• The CIA has just disclosed that its prediction that the U.S.S.R. would face a shortage of oil by the mid-1980s was "mistaken." The alleged Soviet need for foreign oil had been one of the principal government arguments for the claim that the Soviets had designs on the Persian Gulf.

• President Reagan has made numerous speeches in which he claims that the Soviet Union believes a nuclear war is winnable. This inflammatory claim contradicts almost all Soviet military writing on the subject and is based on one ambiguous statement in one article.

• President Reagan and his advisers continue to maintain that the Soviets have decisively surpassed us in military power, even though the world's most prestigious analysts, at the Institute for Strategic Studies, rank the two superpowers as "roughly equivalent."

• The much-publicized Soviet arms build-up derives in large part from a very dubious reinterpretation of figures by the CIA's Team B, which radically increased Soviet expenditures simply by figuring in dollars instead of rubles.

All these stratagems seek to alarm the American people with the image of the Soviet Union as a Hitlerian aggressor that has a military edge over us and can destroy us.

The new unrestrained militarism pushes us inexorably toward a cataclysm that could wipe out 100 million Americans and leave the survivors praying for an early death.

MARK SACHAROFF
Melrose Park.

CHICAGO SUN-TIMES
22 June 1981

Soviets overrated . . .

Lavish as the administration's defense budgets are projected to be, prudent choices will have to be made on how our precious dollars are spent. No realistic budget could ever accommodate the wish lists of generals and admirals and their civilian managers.

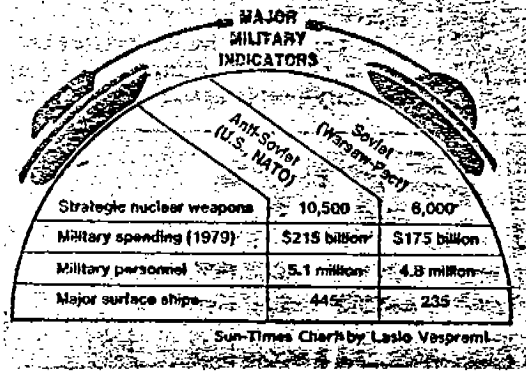
But prudent choices depend on wise assessment of what the Soviets are up to, and here the U.S. intelligence community historically has made flagrant errors that promoted wasteful U.S. responses. Rep. Les Aspin (D-Wis.), one of the wiser heads of the House Armed Services Committee, confirms the point in his Personal View on the opposite page.

Other warped assessments pervert perceptions of Soviet strength, and thus they pervert the Washington reactions based on them.

Most notorious are the CIA "studies" of Soviet defense spending, showing that Moscow's military budgets are far larger than ours. Truth is bent (probably by design to justify support for higher American budgets), and how it's done is shown by one example:

To arrive at the cost of the 4.5-million-man Soviet army, the CIA assigns the pay scales of U.S. military *volunteers* to the *conscripted* Soviet soldiers. Then it adds the American overhead of more than $10,000 per volunteer. When Uncle Sam gives our GIs a raise, the CIA gives an equivalent "raise" to Soviet soldiers and kites its totals that much more.

The CIA's statistical humbug has been credibly analyzed and realistically revised by Franklin D. Holzman, a Tufts economist and a fellow at Harvard's Russian Research Center. His understated conclusion: "The corrected figures indicate that the Soviet Union has not been outspending the United States."



Strategic nuclear weapons	10,500	6,000
Military spending (1979)	$215 billion	$175 billion
Military personnel	5.1 million	4.8 million
Major surface ships	445	235

Sun-Times Chart by Laslo Vespremi

U.S. defense: the big buildup

Second of a series

The Pentagon also habitually makes U.S.-Soviet comparisons without including their respective NATO and Warsaw Pact allies. When you add them in, even using the CIA's cockeyed Soviet budget figures, the perspective (see the accompanying table) tends to ease the alarm over our "weakness."

Take into account also the character of our allies compared with the Soviet's, Poland for one. The U.S.S.R. has been described properly as the only major power surrounded by enemies—almost all of them communist.

Go on, if you will. Add the China factor, including 4.4 million troops. The Chinese are not, to be sure, our allies, but they certainly are not the Soviet Union's friends.

And none of this takes into account the quality of weaponry. Returning to Holzman: "It is paradoxical to read in the Joint [congressional] Economic Committee hearings for various years that, according to the CIA, the Soviet Union has been regularly producing and deploying more military equipment than we have, and has almost twice as much military; yet the predominant opinion of participants is that the United States is still the stronger power.

"The resolution of this paradox is not hard to find. Clearly the basis for this view is the superior quality and technology of U.S. equipment. Unfortunately, this crucially important factor is not captured in CIA estimates."

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MIDDLETOWN SUNDAY RECORD (NY)
21 June 1981

'Star Wars' weapo on the horizon

By DANIEL F. GILMORE

WASHINGTON (UPI) — The inch-thick Pentagon document on space-based laser weapons was stamped "secret draft" and blurted out its conclusions in the very first paragraph.

"The fundamental issue addressed in this paper," it said, "is whether the potential utility of space-based laser weapons provides a compelling reason to accelerate the current technology base program to provide an option for early deployment of laser weapons in space. Our conclusion is that an accelerated program should be initiated to provide early on-orbit demonstration of technology readiness."

Then the document, a copy of which was seen by United Press International, detailed the reasons for speeding up preparations for possible space combat.

Lasers are only one part of the chilling prospect of real Star Wars of the future because space weaponry will probably also include particle beams, which are compared to directed lightning bolts.

The Soviets are working on them, too, and events are moving even faster than that recent Pentagon paper suggested.

The space shuttle, which could carry these new weapons into orbit, has already passed its first orbital flight test and is being prepared for its second flight Sept. 30.

And there is talk about recoverable manned "mini-shuttles" that would be launched from the mother shuttle to service existing detection devices and future laser-particle beam weapons.

The Republican-controlled, defense-oriented Senate on April 14 overwhelmingly voted an extra $50 million to give the Defense Department a total of $147.5 million in the fiscal 1982 authorization bill for laser weapons development.

The vote was 91-3. The House has yet to act, but the Pentagon had not even asked for the extra money in its record-breaking peacetime budget.

And the latest issue of Aviation Week & Space Technology, regarded as exceptionally well-informed on laser and particle beam developments both in the United States and the Soviet Union, says the Pentagon is already talking about the formation of a new branch of the armed services — U.S. Space Command.

Aviation Week, which over the past few years has been carrying continuing updates on laser particle beam technology, devoted 21 pages of its 84-page edition of May 25 to the subject, along with dramatic photographs and artists conceptions of existing and proposed concepts, installations and experiments.

Senior Military Editor Clarence A. Robinson Jr. said, "The United States is moving toward taking full advantage of its technological capability operating in the medium of space to provide a defense for the nation against ballistic missile attack by the Soviet Union."

All this concentration, his summation said, is defensive and designed to forestall a growing Soviet ability to knock out American land-based intercontinental ballistic missiles on a first strike with Russian missiles of superior power and increasing accuracy.

The best way, according to experts, is to destroy the Soviet missiles far out in space.

The Pentagon draft referred to a constellation of space laser systems as "an awesome force capable of checkmating a massive ICBM attack ... One hundred such weapons properly deployed could cope with a simultaneous launch of 1,000 ICBMs."

What are these new super weapons?

Laser is an acronymn for light amplification by stimulated emission of radiation. The most basic laser, first developed in the 1960s, involves generating by combustion combinations of gases that release photons or bundles of light energy through a supersonic nozzle.

An optical unit, working under an electronic fire control system that detects targets, focuses the narrow beam on the object in the form of heat. The beam burns through the skin of a missile to destroy vital components.

Lasers are distorted in the atmosphere but are unaffected by the vacuum of space and could be focused on missiles or space targets thousands of miles distant and destroy them in instants — since the beams travel at about the speed of light — 186,000 miles per second.

American ground-based lasers, in U.S. tests, have already "shot down" unmanned target drones in the atmosphere and destroyed target tanks on ground ranges.

A particle beam is a stream of highly energetic atomic or subatomic particles such as electrons, protons, hydrogen atoms or ions. A Defense Department fact sheet says particle beams "would resemble a lightning bolt."

A particle beam weapon would consist of an accelerator and its electric power, an aiming system and a fire control system to

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THE CHICAGO TRIBUNE
8 June 1981

Mexico can play dominoes, too

By John H. Coatsworth

PRESIDENT REAGAN and Mexican President Jose Lopez Portillo will meet for the second time in Washington on Monday. There will be lots of smiles for the cameras. A statement will be issued stressing traditional ties of friendship and trade. If all goes well, nothing will happen.

On major issues, the United States and Mexico are lurching toward confrontation. The most serious problems come from diametrically opposed policies in Central America.

The United States supports the Salvadorean junta and is escalating military aid. Mexico supports the opposition forces against whom the U.S. arms are directed, encourages sympathetic press accounts of their struggle, and permits them to maintain offices and raise funds in Mexico City.

The United States has cut off aid to the Sandinista regime in Nicaragua. Mexico has just staged a gala reception for Nicaraguan leaders, pledged to give more aid than the United States has stopped, and used the promise of cheap oil to pressure Honduras to stop border raids and to dismantle the bases from which elements of the Somoza national guard hoped to stage a counterrevolution.

THE UNITED STATES is moving toward resumption of military aid to Guatemala, which was cut off in 1977 for massive human-rights violations. Mexico is alarmed at the prospect of U.S. escalation of conflict on its border, especially in the form of aid to the explosively unpopular dictatorship of Lucas Garcia.

U.S. policies are at least publicly defended by a resurrected domino theory. Nicaragua has been described by Reagan officials as a barely disguised Soviet beachhead. It is asserted that the Salvadorean guerrillas are agents of Moscow and Havana. So are the guerrillas in Guatemala. If they are not stopped, Mexico, too, will fall victim to communist subversion. The United States is saving Mexico from this future catastrophe. If Mexican authorities are too stupid or short-sighted to see it coming, the United States will save them anyway. Traditional American noblesse oblige. We've saved a lot of people who couldn't see things coming.

Mexico's leaders have their own domino theory. The United States is militarizing Central America, turning client states into virtual colonies. The regimes supported by the United States are hopelessly unpopular and repressive. The more U.S. arms they get, the more atrocities they commit against their own people, and the more guerrillas they create. The political space required for negotiation, compromise, moderation and eventual stability is disappearing. If U.S. aid succeeds, it will do so only by turning much of Central America into a series of concentration camps. If the U.S.-backed dictatorships fall, the region could face an American invasion.

Either way, Mexico loses. U.S. policy is already polarizing political forces in Mexico, as it is throughout Latin America. Polarization will create opportunities for the U.S. to meddle in Mexico itself. Pressures from the United States will begin to produce domestic allies, within Mexico, aided by U.S. economic leverage. Constraints on domestic and foreign policy will increase.

Mexico *is* a domino, ripe for polarization and meddling, as it struggles with its new oil riches to avoid the Iran syndrome. But in the Mexican view, the danger comes from Washington, not from Moscow or Havana.

OF THE TWO domino theories, the Mexican one is probably more accurate. The U.S. version comes closer to a self-fulfilling (and self-serving) prophecy.

The Mexican version is accurate because the Reagan administration does appear willing to risk destabilizing Mexico to preserve its traditional political and economic dominance in Central America. Indeed, a little turmoil in Mexico might make the Mexicans more amenable to U.S. pressures on economic issues. What Mexico views as a cost, U.S. policy-makers may see as a benefit.

Contrary to the U.S. version, however, the issue in Central America is not communism. On the evidence, the U.S. domino theory is not just wrong, it's positively manic. There aren't enough real live communists in all of Central America to fill Chicago's Auditorium theater, according to the CIA's own estimates. The documents released by the State Department with much fanfare in February, purporting to show Soviet bloc aid to the Salvadorean guerrillas, actually proved the opposite.

Assuming they were not faked, the documents showed that the guerrillas waited until long after the U.S. escalation of aid to the junta to approach Havana and Moscow for aid and that they were promised a mere 800 tons, of which no more than 200 may have been received in the country. For a guerrilla army of 6,000, this was no more than a drop in the bucket.

The real issue is not communism, but pluralism. To reach a negotiated political solution in El Salvador, for example, would require the United States to accept a government less subservient to Washington, but not necessarily less dependent on U.S. trade and capital. It would also require a willingness to share power in the region, not with the Soviet Union, but with Western Europe and Japan. And Mexico and Venezuela. It would require a decision to abandon, if only gradually, the exclusive U.S. dominance created after the Spanish-American War in 1898 and maintained since then by force of arms as well as economic controls.

MEXICO, VENEZUELA, West Germany and others have signalled their willingness to broker a negotiated peace in El Salvador. The United States has rejected their proposals out of hand. This rejection is as traditional as the policy itself. It would imply a loosening of the U.S. political monopoly. Reagan and West Germany's Chancellor Helmut Schmidt discussed "cooperation" in the Caribbean during Schmidt's recent visit, but the terms of this arrangement were left vague. Schmidt is not about to trade his country's image as a supporter of social change and valuable counterweight to U.S. power unless the United States offers something in return.

Mexico's leaders have no more wish to promote communism than Sen. Jesse Helms. But since they are not committed to unilateral U.S. dominance in Central America, they have no need to avoid the real issue in the conflicts there. Political forces need not in their view be excluded from power merely because they plan to regulate or nationalize U.S. economic interests or consult less often with the U.S.

Nor do communists, a minority in the region, need to be excluded from political participation just because they are communists. In Mexico, the Communist Party is legal and free and above all useful as a barometer (and safety valve) of discontent. In the long run, political stability

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NEW YORK TIMES
1 JUNE 1981

This Is Dealing From Strength?

By Richard J. Barnet

WASHINGTON — The Reagan Administration appears to have declared as nonproblems the so-called global concerns over which the Carter Administration briefly agonized: what to do about the catastrophic world food situation, the instability of the world monetary system, the sharing of resources under the sea, the mounting debts of poor countries, the growing rivalries within the developed world over access to scarce resources, and the environmental consequences of such rivalries.

Mounting economic and social instability in the third world is the No. 1 security problem, but the Administration's preferred approach to this threat to peace is to shake a finger at Moscow or to repaint an old battleship. It is a dangerously unrealistic policy, for there is no way that the United States can be restored to economic health without taking on these global problems in a serious way.

But is it not unfair to judge President Reagan harshly for not doing what he never had any intention of doing? Should not his performance be judged by his own goals? Unfortunately, by that test, too, he is headed for failure.

The Administration came to office promising to restore America to what Dean Acheson once called "situations of strength." Obviously, more than a military buildup was required. The Government would have to learn once again to speak with one voice on foreign policy issues. It would have to demonstrate strong public support for its program to restore American power. It would have to strengthen America's ties with its major allies. Most important, it would have to demonstrate that the nation's economy was vital enough to sustain our global commitments.

So far, the Administration has succeeded in confusing friend and foe alike. The President calls Soviet leaders liars and cheaters but invites them back into Middle East discussions. According to Secretary of State Alexander M. Haig Jr., the Russians are powerful enough to orchestrate much of the world's mischief, yet he says they are about to fall into the very ash-can of history that they have been preparing for us. The President's closest adviser, Edwin Meese 3d, announces that military action against Cuba is being considered, but the grain embargo against the Soviet Union is precipitously lifted without even advance notification to our allies.

El Salvador is selected as the critical site to make a stand against the newly discovered worldwide Communist-terrorist conspiracy. But neither the Congress, the Roman Catholic hierarchy, nor our European allies believe that the bloody civil war in that country was invented in Moscow. International terrorism is a fashionable construct to make chaotic and unmanageable events in a dizzying variety of places fit a ready-made strategy for addressing them — much like the "arc of crisis" rhetoric in the Carter Administration — but the Central Intelligence Agency says it has been unable to confirm the basic facts on which the Administration's paranoid worldview rests. Administration spokesmen claim that America would lose prestige if El Salvador's moderately repressive torturers and murderers, whom we are generously supplying with helicopters and rifles, should fall.

Thus, the Administration is setting that country up to be the new Vietnam. Whether a single additional adviser or even one infantry platoon is ever sent there, the Administration has already invested so much in that operation that this nation cannot help emerging from the involvement weaker, not stronger. Having announced that a political solution that includes the left is a major defeat, we have once again advertised our impotence. Having made support of our El Salvador policy a loyalty test for our allies in Europe and watched them flunk, the Administration has strengthened neutralist sentiment on the Continent and given a boost to the antiwar movement in both America and Europe.

The national security adviser, Richard V. Allen, scolds the Europeans for their "contemptible" better-Red-than-dead attitudes. The predictable result of our pressure has been to cause the West German Government to move slightly to the right and the German people to move to the left (66 percent of them, according to United States Government polls, are against modernizing the North Atlantic Treaty Organization with theater nuclear forces). The Administration's obvious reluctance to negotiate arms-control arrangements in Europe, which a majority of Europeans see as the only way to reduce the Soviet nuclear threat against the Continent, offers the Soviet Union an unparalleled opportunity to put pressure on European governments by playing on legitimate popular fears. Reagan realism may work so well that the Kremlin will be able to claim a veto power over NATO weapons decisions.

Situations of strength these are not.

Richard J. Barnet, author of "Real Security: Restoring American Power in a Dangerous Decade," is a senior fellow at the Institute for Policy Studies, an independent research organization. This is the first of two articles.

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STRATEGIC REVIEW
Summer 1981

Of Detente and Duplicity

FACING REALITY

By Cord Meyer
New York: Harper and Row
1980. 433 pages. $15.95

Reviewed by David S. Sullivan

Cord Meyer is a romantic legend in his own time—a Yale-educated former U.S. Marine Corps officer, a wounded World War II hero who flirted with the idealism of World Federalism only to confront eventually the reality of the Soviet threat to the very institutions on which this ideal could be based. He has crafted a fine autobiographical portrait which reflects some of the noblest philosophical values of the American liberal tradition, but also depicts one man's attempt to understand, and then to enter, the "Cold War."

Cord Meyer also exemplifies what is best in another American tradition—the tradition of service in intelligence. The only official of the Central Intelligence Agency to receive three times the CIA's highest award, its Distinguished Intelligence Medal, he was one of the Agency's wisest operators and executives of covert action. At the same time, his writings betray a breadth of perception and keenness of insight that put to shame most of those who labor on the "analytical side" of the CIA establishment.

The focus of Meyer's personal odyssey and professional analysis is on the relentlessly growing Soviet threat to America. The book provides a detailed exposé of successful Soviet operations—for example, in outmaneuvering the United States in Angola in the mid-1970s. Another highlight is a sophisticated and penetrating analysis of the inner workings of the most shrouded governing body in the world, the Soviet Politburo. Meyer's analysis also details authoritatively the KGB's organization and sinister *modus operandi*, including the organization of the typical KGB station abroad. He helps us to understand how disinformation, propaganda and myth are fabricated and purveyed by the KGB to the disadvantage of the West.

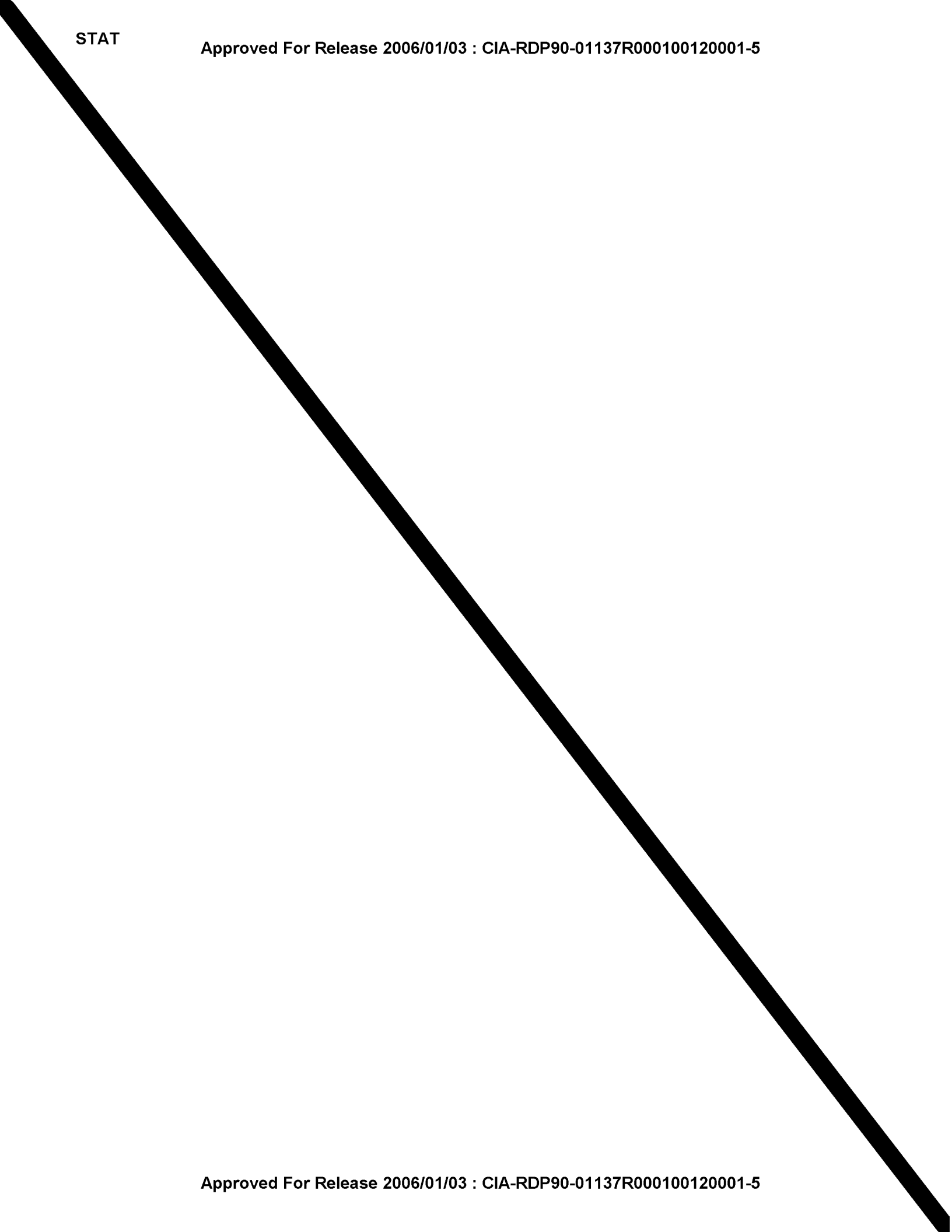
If there is a central theme in the book, this concerns the Soviet grand strategy that is clothed in "detente" on the one hand, and the sad record of U.S. analysts in grasping Soviet intentions on the other. Meyer posits that the men in the Kremlin make a "deliberate and continuous effort" to "mislead and deceive the outside world":

> Soviet leaders look upon detente, the SALT negotiating process, and the expansion of international trade as temporarily expedient tactics, designed to win time and opportunity for the successful achievement of . . . the defense and the strengthening of the "socialist system" . . . and the strengthening of the ties with new governments and with revolutionary progressive movements.

The evidence that detente was brilliantly conceived and deftly executed as a screen for the Soviet thrust to military superiority is by now overwhelming: even Soviet spokesmen are openly admitting that the USSR exploited the 1969–1980 decade of "peaceful coexistence" and SALT to mislead the West into complacency, while battening upon Western financial credits, trade and technology to sustain its strategic build-up.

According to Meyer: "The Soviets in the SALT I negotiations succeeded in winning crucial advantages by hard bargaining and by the deliberate concealment of the fact that new types of ICBMs were ready for testing." He thus lends his own authority to the evidence that SALT I represented an exercise in deceptive Soviet negotiation tactics. He also supports the notion that in SALT I the United States traded away its technically superior anti-ballistic missile defenses in the mistaken belief that it was achieving the trade-off of constraints on Soviet

Mr. Sullivan was a senior strategic and Soviet foreign policy analyst with the CIA for seven years, and serves currently as an expert consultant with the U.S. Arms Control and Disarmament Agency.



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NEWSWEEK
18 May 1981

Counterattack on Defense

With little debate and almost no dissent, Congress is going along with President Reagan's huge increases in defense spending—15 per cent in real dollars for fiscal 1982, tapering off to a still hefty 7 per cent at the end of five years. Democrats in Congress, exhausted by their losing battle against the social-program cuts and gearing up to fight the Kemp-Roth income-tax reductions, are raising few objections. But critics outside government—many writing in liberal publications—have raised some troubling questions about the direction of the Administration's defense policy. NEWSWEEK *Pentagon correspondent David C. Martin examines three of these critiques:*

It may not be obvious yet, but the critics of increased defense spending have history on their side: over the last three decades, including the periods of the Korean and Vietnamese wars, military spending in the United States has never risen in constant dollars for more than three consecutive years. Reagan's position, of course, is that no sacrifice is too great in the cause of national defense. But his proposals raise strategic, tactical and economic issues that ought to trouble conservatives as well as liberals: if throwing money at social problems has been a failure, how can we be sure that it's the right answer to the equally complicated problems of national security?

The strategic argument—that national security depends on more than just military strength—is made by Richard J. Barnet, of Washington's liberal Institute for Policy Studies. Writing in The New Yorker, Barnet argues that the spread of nuclear weapons and the increasing independence of Third World nations has made the world "much less amenable to being managed by American military power." Buying more military hardware could actually undercut national security, he argues, since it diverts money that might be used to solve problems such as America's dependence on foreign oil. "The hardware cannot produce energy," Barnet says, "nor can it assure access to energy." Rearmament, he concludes, is nostalgia for a time that can never come again.

Barnet contends that the Administration is acting on a questionable belief that the Soviets spend far more on defense than the United States—a calculation that fails to take into account the vastly different strategic and economic situations of the two countries. The United States does not have a hostile China at its borders, and it does not need troops to occupy Poland. America and its NATO allies, he correctly points out, spend more on defense than Russia and its Warsaw Pact allies. The government's estimate of a $300 billion defense "gap" over the last decade is a paper figure, based on reconstructing what it would cost to buy the Soviet defense establishment at American prices. The gap appeared only when the CIA changed its formula for calculating Soviet expenditures; it had little to do with real military prowess in the field.

The "missile gap" is equally meaningless to Barnet. The weapons aboard a single nuclear submarine could destroy all of Russia's largest cities, making a Soviet first strike suicidal. Why then does the nation require the redundant destructive capacity of an MX missile?* Billions are being spent, says Barnet, to avoid the *perception* of a gap between U.S. and Soviet nuclear capabilities—in the belief that if the Russians think they are stronger, they gain a subtle edge in political maneuvering. But Barnet finds no evidence for that theory in recent history. And once statesmen start buying weapons for their symbolic value, he says, they can never have enough—they have lost touch with reality and have begun preparing for war games, not war.

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THE WASHINGTON STAR (GREEN LINE)
13 May 1981

NATO Ministers Agree To Hike Arms Budgets

U.S. Warns of Soviet Strength in Europe

By Henry S. Bradsher
Washington Star Staff Writer

BRUSSELS, Belgium – The United States told a grim story of mounting Soviet military power in Europe to its NATO allies yesterday, then won a reaffirmation of the alliance's goal of increasing defense spending by 3 percent a year despite a plea of economic problems by some members.

Since that goal was first adopted by the North Atlantic Treaty Organization four years ago, the United States and some other members had fallen short of its annual increases, in real, inflation-adjusted, terms.

Meanwhile, the Soviet Union has continued to increase its military spending by 4 percent or 5 percent a year, according to U.S. intelligence estimates presented to NATO defense ministers yesterday. The estimates were offered at the opening session of the ministers' two-day spring meeting to plan the conventional non-nuclear part of Western defenses.

The special intelligence briefing was intended to impress defense ministers with the extent to which NATO has fallen behind the Soviet-led Warsaw Pact in both conventional and nuclear armaments. Reagan administration officials feel that most Europeans have failed to realize the seriousness of that situation.

Senior U.S. defense officials told reporters later that the briefing had told "a grim story."

After the briefing, U.S. Defense Secretary Caspar W. Weinberger told the ministers that people in their countries need to know the truth of the Soviet threat so they will be prepared to make sacrifices for defense. He called on the ministers to speak plainly about the military situation.

Some of the plain speaking took place between Weinberger and West German Defense Minister Hans Apel, according to American and West German officials who were present.

Apel pleaded economic problems in an effort to avoid committing Bonn to the 3 percent goal this year, but he argued that any lag would be offset by West German defense efforts that have been larger than those of other NATO members over the past decade.

Weinberger insisted the nature of the Soviet threat does not permit any slackening now.

The ministers finally adopted a somewhat vaguely worded reaffirmation of the 3 percent annual goal. U.S. officials took this as progress and the British seemed happy with it, too. But some NATO experts pointed out that the goal has been repeatedly reaffirmed.

The question now is: How many members will reach it? A British expert noted that there had to be flexibility in the formulation of the goal to allow for special problems, while an American official pointed out that the wording allowed for even more than a 3 percent effort.

The spending goal was part of an attempt to give guidance to NATO members on improving logistical and military facility support for defense operations. The backup infrastructure for Western fighting forces has been failing to keep pace with modernization needs. A main reason has been that inflation has eaten up funds for defense support faster than expected.

New plans for improvements cover such things as airfields, naval bases, fuel stores, communications, aerial navigation aids, training installations and headquarters facilities.

U.S. officials said with obvious satisfaction that the ministers' discussion of the guidance on defense support, as one put it, "moved very much in the direction that we think the (intelligence) briefing drives us."

Canadian Admiral Robert Falls, the head of NATO's military committee, told reporters that the briefing showed the alliance has lost ground to the Soviets in the past decade. If the trend continues for another five or more years, he said, the Western ability to deter a Soviet attack will be lost.

Emphasizing the increased Soviet military drive, officials said that since 1970 the Soviet Union has increased by 34 percent the floor space of its military weapons factories. The Soviets are providing increasingly sophisticated weapons, they said.

PITTSBURGH PRESS
5 May 1981

Gilding The Ruble

The CIA has long been warning that the Soviet Union has been outspending the United States on defense — to the tune of $300 billion more in the past 10 years. But now the CIA concedes its figure is "probably inaccurate."

How inaccurate, the agency doesn't say. But a look at how it compared U.S.-Soviet defense spending can give you a good idea.

For example, one of the biggest expenses for the U.S. Army in the past 10 years was the change to a higher-paid, all-volunteer force. For some inexplicable reason, in calculating military expenditures the CIA gave Russian draftees the same "raise" as U.S. volunteers.

The CIA also rated a stripped-down MiG-25 interceptor at the same cost as an electronically loaded F-15, and assumed identical inflation costs for both countries.

To say that estimates of Soviet defense spending based on such reasoning are "probably inaccurate" is like saying that Columbus missed China by just a few miles.

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THE RETIRED OFFICER
APRIL 1981

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By Cdr Merle Macbain, USN-Ret.

ON THE SIXTEENTH of March, 1978, Aldo Moro, the President of Italy's ruling Christian Democratic Party and a former Premier, was snatched from his automobile on a busy Roman street by desperadoes who gunned down his five bodyguards and carried him off into hiding. The kidnappers were quickly identified as members of the notorious Red Brigades.

The Italian government spurned offers to release the famous man in return for 13 terrorists who were then on trial. On May 9, Moro's body with 13 bullet holes in it was left in a car parked near his party's headquarters.

There had been hundreds of recent personal attacks attributed to the Red Brigades, an international band of extortionists believed to have Communist connections through the Soviet secret police, the KGB. This time, the eminence of the victim and daylight boldness of the crime focused worldwide attention and brought on a political crisis in Italy. After hastily passing Draconian anti-terrorism legislation, the government fell.

The Kremlin's farsighted propaganda apparatus, however, was in no disarray. For openers, on March 16, the very day of the kidnapping, Radio Moscow in a worldwide broadcast in English called it a "crime of reaction" and just another "attempt by a right-wing force to aggravate the situation in Italy." In an Italian language broadcast on March 18, Moscow quoted the French Communist Party newspaper, *L'Humanite*, as reporting that, "Secret Services whose activity is connected with the NATO military base in Naples," were involved.

SOVIETS ACCUSE THE CIA

After hinting that the CIA must be involved because the operation was too complex for local talent (teaching the Red Brigades the art of kidnapping would be something like teaching the Swiss how to make watches), the Soviets got to the point. Moscow Radio's commentator, Anatoly Ovsyannikov, stated, "Well, to call a spade a spade, the services (master minding the kidnapping) is called the Central Intelligence Agency, and the foreign power that it belongs to is the United States of America."

This charge was, of course, considered ridiculous by America since the U.S. looked favorably on Moro's efforts to provide Italy with a stable, fairly centrist government. But Moscow's immediate target now was NATO ally Italy. And they had another shoe to drop.

Back in 1975, a communist agent had secured a copy of U.S. Army Field Manual FM 30-31A, a routine classified document which, like other such manuals, bore the signature of the Army Chief of Staff, Gen William Westmoreland. With this authentic manual in hand, complete with Westmoreland's well-known signature, it remained only to rewrite the contents, duplicate the typeface and label it FM 30-31B.

The text of the fake document surfaced first in a small, left-wing Turkish newspaper in March 1975. In September 1976, a photocopy of FM 30-31B was tacked up on the bulletin board of the Philippine Embassy in Bangkok, Thailand, by a "concerned citizen." It reappeared again in 1978 when, with some unassuming help from a Cuban intelligence officer, it was made available to two Spanish newspapers. At this point patience and a well-covered trail paid off. The spurious manual together with articles concerning it appeared in newspapers in more than 20 countries including Italy and the United States.

The forged contents of this far-traveling pamphlet provided purported guidance to U.S. Army intelligence officers for the subversion of host country officials. Specifically, it

forgers in the Kremlin to support their charge that the CIA was an agent provocateur in the murder of Moro. They merely used one lie to lend credence to another.

The U.S. State Department received some disturbed inquiries from friendly governments about FM 30-31B. The forgers, thinking perhaps to enhance its attention value, had classified it as *Top Secret*. It was, then, only necessary for the U.S. to point out that no American Army Field Manual was ever given that high a classification.

But the truth never quite catches up to an interesting lie.

"DEZINFORMATSIYA"

This bit of history is retold as an excellent and not unusual example of the Soviet Union's unique disinformation program. The Russian word for it is "dezinformatsiya," and the "dreaded Cheka"—the first Soviet state security apparatus, and all of its several descendants down to the current KGB—have had a Disinformation Desk. In 1959 the KGB established a full-fledged Disinformation Department known as De-

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THE CHRISTIAN SCIENCE MONITOR
28 April 1981

The grain embargo *did* pinch the Russians

By Alan Abouchar

The US embargo on grain and fertilizer shipments to the Soviet Union has now been lifted by the Reagan administration, with farmers and international bankers having argued increasingly for repeal. The repeal position was supported by arguments that the US farm situation and foreign trade balance were being hurt by the embargo while the Soviet Union was not.

The last claim is based on the fact that, whereas President Carter's embargo applied to about 17 million tons of wheat and feed grains then on order, the Soviet Union succeeded in replacing about 15 million tons by imports from other producing countries such as Argentina and by reducing its own exports to its East-bloc cousins which were never embargoed and which could import freely from the West.

But this comparison sharply understates the effect of the embargo as a weapon in the international political arena since it fails to take account of three extremely important factors:

1. The replacement grain that the Soviets succeeded in acquiring from Argentina and elsewhere consists principally of wheat (with a very small tonnage of soybeans from Brazil) while the embargoed 17 million tons included 13 million tons of corn (11.5 million tons) and soybeans and derivatives, i.e. animal feeds: wheat is an expensive way to fatten cattle. And even allowing for the fact that meat imports more than tripled, reducing the necessary feed imports while raising domestic consumption about 3.5 percent, Soviet meat consumption now and in the future will suffer since animals are being slaughtered at lower weights, repressing the already low levels of per capita meat consumption.

2. In January 1980 the US Department of Agriculture estimated that the Soviets would go to market for about 35 million tons, including about 25 million from the US. (The US sales were to include 8 million tons as part of a five-year contract due to expire in 1981. This tonnage was not embargoed.) In the event, the harvest was much worse than expected at that time — about 55 million tons short of planned harvest and 60 million tons below the previous year's record. Thus the Soviet grain managers would have gone back to the market for perhaps another 15-20 million tons which would be necessary to maintain livestock herds, including 8-10 million tons from the US. With reduced feed availability, the average slaughterweight of cattle and hogs fell by 5 and 8 percent respectively between 1978 and 1980.

3. Almost all evaluations of the success of the embargo have concentrated on short-term phenomena. But a look at the longer-term trends in Soviet agriculture is necessary to appreciate just how fragile the sector is and the implications of not having recourse to the safety valve of foreign supply.

This fragility is nowhere better attested to than by the extraordinary year-to-year fluctuations in output: while in good years the Soviets are the world's largest wheat producer and second largest grain producer, and while their total grain output has grown somewhat faster on average than US production in the last 15 years, US growth is relatively stable while Soviet growth is marked by severe shocks. This is shown best by the 63 percent increase in Soviet production in 1976 which followed decreases of 15 percent and 30 percent in the two previous years.

Moreover, against the backdrop of Khrushchev's 1960 promise to more than triple meat output by 1980, the Soviet Union has in fact raised production by only about 65 percent, or 2 percent per capita per annum! Its meat consumption is still the lowest of all the East-bloc countries, exceeded by 28-65 percent by four others and by 12 percent by Bulgaria. Counting fish, the Soviet consumer barely surpasses the Bulgarian.

Furthermore, the Soviet consumption GNP ratio during the 10th Five-Year Plan, just ended, had already fallen by 3-4 percentage points as compared with the previous quinquennium, according to CIA estimates. Thus there is little consumption fat to cut out of GNP to use to boost agriculture and, if food consumption were to be increased and stabilized without access to the US market, massive investments would be required, some of which would have to come out of military expenditures.

Put another way, the Soviets can afford their foreign adventurism only with help of the far more productive US agricultural sector to make up for their own agricultural shortcomings.

Alan Abouchar is professor of economics at the University of Toronto.

ARTICLE APPEARED ON PAGE A-2

WASHINGTON STAR
19 APRIL 1981

Soviet Arms Spending Reported Rising 10%

Detente-Fueled Trade Seen Aiding Moscow

By Henry S. Bradsher
Washington Star Staff Writer

The Soviet Union plans to increase its spending on military equipment, which is already higher than U.S. weapons expenditures, by about 10 percent a year during the 1980s, according to a leading American specialist on Soviet military budgets.

The specialist, William T. Lee, also calculates that increased foreign trade has enabled the Soviet Union to devote more of its domestic production to armaments, and sees this as an example of detente's helping shift the military balance in the Soviets' favor.

As a private consultant working on contracts from the Pentagon and other sources, Lee has been presenting his findings to congressional committees and other panels around Washington in conflict with CIA specialists, among whom he once worked. He has contended for years that the CIA underestimates Soviet military spending.

The CIA admitted in 1976 that its estimates of the military burden on the Soviet economy, and therefore the priority that Kremlin leaders gave to armed strength, were too low. It doubled its estimate of the share of Soviet gross national product going into the armed forces and related military spending. The new range was 11 to 13 percent.

Since that admission, which adjusted CIA figures to close to what Lee was already calculating, Lee has won an increased following among U.S. and Western European students of the subject. Scanty estimates published by China support Lee.

With its overall economic growth slowing down while military spending continues to speed up, the Soviet Union is now spending 12 to 14 percent of GNP for military purposes, the CIA says. It estimates a ruble figure of 61 to 72 billion in 1980.

Lee and another leading critic of the CIA estimates, Prof. Steven S. Rosefielde of the University of North Carolina, say the agency has once again fallen behind. Rosefielde calculates that the figure was 18 percent in 1980, and Rosefielde's critiques of CIA estimating methods support this.

Lee says the percentage will rise to above 20 on the basis of the pattern of allocations in the 1981-85 Soviet economic plan.

Former Defense Secretary James R. Schlesinger, who was critical of the CIA estimates when he headed the agency in 1973, said the other day that he believed "the Soviets are devoting 17 or 18 percent of their national effort to military efforts. The CIA numbers may be misleading," with the agency trapped in methodology that underestimates the magnitude of the military effort, he said.

The Reagan administration's proposals would increase U.S. defense spending for the 1982 fiscal year to slightly over 6 percent of GNP. Announced plans would raise that to a little over 7 percent by FY 1986.

Both the CIA and its critics contend that an understanding of the share of Soviet GNP going into its military effort is important. Western intelligence agencies have what they believe to be a pretty good count of Soviet missiles, tanks and submarines, regardless of their cost. But knowing the economic burden tells Western leaders much about Kremlin thinking.

In the new Soviet economic plan, both investment in future growth and consumer goods output will increase at a slower rate than in the past. But military spending will continue to speed up at the expense of other sectors of an increasingly sluggish economy. This shows a Soviet devotion to armed power as more important than future prosperity or present living standards.

This fits the picture of Kremlin thinking described in articles by National Security Council specialists on the Soviet Union.

Army Brig. Gen. William Odom, who worked on the Carter adminis-

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me as central to Soviet Communism as the pursuit of profit is to societies with market-oriented economies."

Lee contends that during the 1970s the Soviet Union increased its sales to market economies of natural gas and other raw materials in order to import more advanced industrial equipment than it could produce itself. Not only did it get better equipment this way but it also freed some of its own industrial capacity to concentrate on weapons.

Thus, according to Lee's calculations from Soviet data, the era of detente made it possible for the Kremlin to order more and better weapons rather than diverting the economy from armaments to more peaceful purposes — as has been widely believed in the West, especially by Europeans who have been eager for Soviet trade.

Lee draws his conclusions primarily from Soviet data, adjusting them to include in military spending many things hidden elsewhere in the Soviet budget than under published defense accounts. He says the Soviet Union is now making a military effort of between 108 and 126 billion rubles a year, rather than the 62 to 71 billion estimated by the CIA.

Under Lee's questioning in congressional hearing whose transcripts were published late last year, the CIA conceded that its rubles were artificial values rather than the real rubles that would show up in the secret Soviet accounts. The U.S. government therefore lacks any official estimate of actual Soviet spending, Lee argues in his often scathing denunciations of the expensive CIA effort to find Soviet military figures.

In a confrontation last Wednesday between a CIA official, James Steiner, and Lee, Steiner disclosed that the agency knew actual ruble prices of only 135 things that the Soviet military buys. Other prices are computed by various means, including estimating dollar costs and then using ratios to convert to rubles.

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NATIONAL JOURNAL
11 April 1981

Rubles for Defense—Are the Soviets Really Outspending the Pentagon?

Administration officials speak of a spending gap of as much as $450 billion in the Soviet Union's favor in the past decade, but others call that grossly inflated.

BY MICHAEL R. GORDON

As Congress gets down to examining the Reagan Administration's plan to add $184 billion to the defense budget over the next five years, one of the biggest numbers games in town is estimating Soviet military expenditures.

Just about anybody can play: there are more than enough numbers to satisfy all political persuasions.

But it is more than an idle mathematical debate. Ultimately, it has to do with how the United States reads Soviet military intentions, and it is the perception of those intentions that can fuel a U.S.-Soviet arms race.

Those who believe the Pentagon needs the additional funds can start with President Reagan's Feb. 18 address to Congress. Based on Central Intelligence Agency (CIA) estimates, Reagan stated that "since 1970, the Soviet Union has invested $300 billion more on its military forces than we have."

Or you can do what Defense Secretary Caspar W. Weinberger did in his March 4 testimony to the Senate Armed Services Committee. By leaving out 1970 spending and including budget projections for 1980, the military investment gap widens by $55 billion.

But huge as a $355 billion spending gap may appear, Pentagon supporters can come up with an even greater sum by turning to the Joint Chiefs of Staff posture statement for fiscal 1982. By factoring in estimates of personnel costs and operating expenses, that report pegs the difference between U.S. and Soviet expenditures at an astronomical $450 billion over a 10-year period. Some private estimates are even higher.

On the other hand, those who are somewhat skeptical of the Defense Department's budget requests can easily shave hundreds of billions of dollars off the spending gap. Here's one way, according to a January Pentagon report: use the 12-year period from 1968 to 1979 as a basis of comparison, and you bring the investment gap down to $270 billion. Or you can lop at least another $100 billion off the difference by adopting a procedure used in recent reports by the Arms Control and Disarmament Agency that applies a "geometric means purchasing parity" scale for rubles and dollars to the CIA estimates.

Finally, a full-scale assault on the CIA's method of estimating Soviet defense costs, as mounted by Tufts University economics professor Franklyn D. Holzman, produces an evaluation of U.S. and Soviet military spending that is more or less in balance.

This is not to suggest that any of these estimates are contrived. For the most part, the different assessments reflect long-standing and often arcane disputes about how to compute the amount of resources devoted to defense in a foreign economy in which military spending statistics are shrouded in secrecy.

But there's little doubt that some of these estimates are abused when they are pressed into political service. And the lessons some experts draw from examination of Soviet defense spending are more subtle and tentative than the rhetoric over a military spending gap suggests.

SOVIET STRIDES

Whatever its defense costs may be, there's no doubt that the Soviet Union has significantly built up its forces over the past decade. According to estimates by the Congressional Research Service of the Library of Congress, the Soviets have added 733 land-based missiles, submarine-based missiles and bombers to their inventory of nuclear "delivery vehicles." During this period, they have also increased their stock of nuclear warheads by 4,019.

In contrast, the United States has 93 fewer delivery vehicles than it had 10 years ago, though thanks to technology, it has increased the number of warheads mounted on them by 5,200.

As far as conventional arms are concerned, the Soviet buildup is similarly impressive. In the past decade, to take but a few examples, the Soviet Union has increased its fleet of heavy and medium tanks by 9,000 and added 8,000 pieces of artillery and 765 tactical combat aircraft. *(See box, p. 602.)*

But if you can count their weapons so precisely, why bother to try to assess the levels of Soviet defense spending? Some experts say there are good reasons for trying.

For one thing, some strategic decisions depend at least in part on the cost of Soviet military hardware. Supporters of the land-based mobile MX missile, for example, argue that it would cost the Soviet Union more to develop the means of targeting all 4,600 MX shelters than it would cost the United States to expand its MX system or protect it with some sort of antiballistic missile defense. Not surprisingly, some MX critics, including former CIA director Stansfield Turner, have argued precisely the reverse. *(See NJ, 2/14/81, p. 260.)*

For another, present Soviet military investment is taken by the Defense Department as a guide to future Soviet military capabilities. "The effects of today's investment balance," former Defense Secretary Harold Brown states in the Defense Department report for fiscal 1982, "will be seen in the military balance in future years."

In larger terms, projections of Soviet defense costs also provide U.S. planners with some idea of how efficient Soviet defense industry is and how great a

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ON PAGE C a.17

THE WASHINGTON POST
9 April 1981

JACK ANDERSON

Soviet Intentions Are Grimly Assessed

Ever since the Soviet invasion of Afghanistan caught them by surprise, our intelligence services have taken a pessimistic view of the Kremlin's intentions in any situation. Few analysts want to be on record as having underestimated Soviet aggressiveness.

The current Polish crisis, for example, has been the subject of feverish study and interpretation by experts at the Defense Intelligence Agency, Central Intelligence Agency and State Department. A series of special "alert memorandums" has been sent to the president over the past several months.

The assessment of Soviet intentions is generally grim. The military analysts have warned that the Russians might move to occupy Poland as early as this week. A top-secret CIA estimate said D-Day could be this coming Friday, not before.

But largely ignored in the spate of gloomy predictions of a Russian military move are the economic and political factors the old men in the Kremlin must consider before they make an irretrievable decision to use force against the recalcitrant Poles.

The economic consequences particularly have been given short shrift; yet they are important to the Soviet bloc. East Germany, for example, is heavily dependent on coal supplies from Poland. Irregular deliveries in the recent months of strikes and disruption have caused a 4 percent drop in production in some basic East German industries.

Furthermore, according to CIA estimates, a Soviet occupation of Poland would cost the Kremlin $10 billion a year — a sum the Soviet economy could not absorb without serious disruption.

Politically, the guarded optimists in our intelligence agencies point out, Soviet boss Leonid Brezhnev is regarded as a "consensus guy." He would be reluctant to pursue a military solution to the Polish problem without support from the other Eastern European satellites. "Brezhnev doesn't want to be alone," an analyst said.

East Germany and Czechoslovakia, which, with Russia, constitute Poland's immediate neighbors, are believed to be supporting the Kremlin. But Romania is reported to be a reluctant ally.

Added to this is the certain hostility of the West and the almost-certain disapproval of Third World nations. At a recent closed-door meeting with top Reagan administration officials, 10 Republican senators got a promise from the administration that "the strongest economic sanctions" against the Soviet Union would follow any military takeover of Poland.

There is also, of course, a purely military consideration that may give the Russians pause. The Poles have the best army among the satellite nations, and the rank-and-file may resist. Though their officers have been pretty thoroughly Sovietized by purges and indoctrination, Polish generals have warned Soviet colleagues that the lower ranks will not submit peacefully to a Russian invasion.

The Poles did not let the hopelessness of their situation stop them in 1939, when they were attacked simultaneously by Germany and Russia.

With some relief, State Department intelligence experts have noted privately that Brezhnev's highly publicized meeting in Prague includes mostly low-level Politburo functionaries. Only the Czech hosts sent top officials, leading some analysts to believe that nothing substantive will result from the meeting.

Balanced against all these factors, however, is the concern that may prove decisive to the Kremlin: allowing the Poles the kind of personal freedoms and independence from Soviet authority that they seem determined to achieve would be simply too threatening to the entire Soviet system. If the Poles can get away with it, why not the Romanians, Hungarians, Czechs and East Germans? Why not even the Russians?

Self-preservation may override all other considerations as the Kremlin's hawks and doves argue. From their point of view, Poland may be a cancer that requires drastic surgery if it is not to spread throughout the communist empire.

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ON PAGE A19

THE WASHINGTON POST
21 March 1981

North Korea Refurbishes Image as Trading Partner

By William Chapman
Washington Post Foreign Service

TOKYO, March 20 — North Korea is slowly erasing its image as a risky, debt-ridden trading partner and is steadily rehabilitating its trade with Japan and other Asian nations.

Both its exports and imports rose considerably last year and show signs of increasing again this year, according to Japanese financial sources with access to trade statistics in several Asian countries doing business with North Korea.

Moreover, the Communist country is so far paying off its old debts, which were rescheduled two years ago after an economic slump that almost wrecked its dealings with the noncommunist world.

The upswing began after changes ordered in 1979 by President Kim Il Sung put some new life into exports, according to the Japanese sources.

"Since then, they have been pushing export promotions very hard," said one banker.

Despite the improvement, North Korea's past trading record is so poor that Japanese exporters still insist on being paid in cash on delivery. Business companies get paid promptly these days, either in British pounds or West German marks that the North Koreans are believed to have obtained by selling gold.

Japan's financiers are still advising their client trading houses to go slow and exercise caution.

The CIA calculated in 1978 that North Korean debts amounted to at least $1.4 billion with the noncommunist world and about $1 billion with the Soviet Union, which supplies a large portion of the country's crude oil. The debts to Japan alone amounted to about $350 million.

The Japanese debt was renegotiated in 1978 and spread out over a 10-year period. So far, Japanese sources say, those debts are being paid. As a result, both exports to and imports from Japan are increasing. The total trade amounted to $475 million last year and is expected to rise to $600 million this year.

The increased trade has aroused the animosity of officials in South Korea, one of Japan's Asian friends, which looks upon any trade with the communist enemy in the north as a betrayal.

South Korea has complained recently about shipments of such items as trucks and short-wave radio sets to North Korea, contending they can be used for military purposes.

South Korean military agencies have contended that Japanese radios have been found among the equipment carried by Communist agents who infiltrate the South.

A new complaint by the South Koreans was lodged recently when Japanese Foreign Minister Masayoshi Ito visited Seoul. The Japanese response has been that it will not restrict trade in materials other than items that have a clear military purpose under its arms export law.

"There is nothing we can do," a Japanese official said of the latest South Korean complaint. "Those items which are not cited specifically under the arms-export law will not be restricted because this is a free-enterprise system. This is a longstanding issue. It is a question of principle."

Nevertheless, major Japanese firms to some extent obscure their trade with North Korea by dealing through dummy firms instead of in their own name for fear of alienating South Korea. A Hitachi television set deal did not become public knowledge for several months after it was completed.

Japan's major exports to North Korea are trucks, coke, fertilizers and television sets, according to the North Korea Research Council, the vaguely named association of Japanese businessmen who trade with that country.

North Korea's major exports are cement, iron ore and a number of nonferrous metals such as zinc and magnesium. Rising world prices for nonferrous metals have been one of the major reasons for North Korea's improving trade record, according to business sources here.

Banking sources said North Korean trade with other Asian countries also increased substantially last year. Exports to Asian countries, including Japan, grew more than 30 percent in 1979 over 1978 and are said to have increased a similar amount last year.

-U.S. CENTRAL INTELLIGENCE AGENCY REVISING ESTIMATES ON CHINA'S 1980 MERCHANDISE TRADE:AN ANALYSIS

17 MARCH 1981

BY JOHN T. NORMAN

WASHINGTON-(DJ)--AT THE SPRAWLING U.S. CENTRAL INTELLIGENCE AGENCY (CIA) IN NEARBY VIRGINIA, ECONOMIC ANALYSTS LATE LAST YEAR CONCLUDED THAT CHINA WOULD WIND UP WITH AN INTERNATIONAL TRADE SURPLUS TOTALING MORE THAN 1 BILLION DLRS IN 1980.

BUT NOW THE CIA ANALYSTS ARE SHARPLY REVISING THESE FIGURES.

THE CIA'S STILL-UNPUBLISHED DATA SHOW THAT CHINA'S EXPORTS LAST YEAR AMOUNTE D TO ABOUT 19.? BILLION DLRS, WHILE IMPORTS, ON A C.I.F. BASIS THAT INCLUDES IE
COST, INSURANCE AND FREIGHT FOR SHIPMENTS FROM OTHER COUNTRIES, TOTALED ABOUT 2 0.5 BILLION DLRS. SUCH FIGURES WOULD MEAN, OF COURSE, THAT CHINA'S INTERNATIONAL
MERCHANDISE TRADE WAS IN DEFICIT LAST YEAR BY ABOUT 1.2 BILLION DLRS, RATHER TH AN SHOWING A BIG SURPLUS.
IN MARCH, CHINA'S VICE PREMIER YAO YILIN SAID IN PEKING THAT HIS COUNTRY'S T RADE DEFICIT IN 1980 TOTALED ABOUT 570 MILLION DLRS, DOWN FROM 1.87 BILLION DLRS
A YEAR EARLIER.
THE CIA, WHICH KEEPS TRACK OF CHINA'S INTERNATIONAL TRADE BY ANALYZING REPOR TS FROM VARIOUS COUNTRIES THAT DO BUSIMESS WITH THE CHINESE, HAS ESTIMATED CHINA 'S 1979 TRADE DEFICIT WAS ABOUT 1.92 BILLION DLRS, NOT FAR OFF CHINA'S OFFICIAL COUNT FOR THAT YEAR.
ACCORDING TO THE U.S. INTELLIGENCE AGENCY, CHINA'S IMPORTS, ON A C.I.F. BASI S, AMOUNTED TO ABOUT 15.59 BILLION DLRS IN 1979 AND EXPORTS, ABOUT 13.67 BILLION
DLRS IN THAT SAME YEAR.

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THE WASHINGTON STAR
11 March 1981

GEORGIE ANNE GEYER

The Rest of the World Is Growing Less Fanatical

This year, an astonishing event takes place that is both little-noticed and a crucial indicator of the world that the Reagan administration will have to handle. Little Japan's GNP will outstrip the Soviet Union's.

Since the Soviets prefer not to let such secrets of state slip out into the light of day, the figures are the CIA's. But judging by the CIA's estimates, Japan's gross national product will soar to $1.3 trillion, while the Soviet Union's remains about $1.2 trillion.

The importance of this lies not at all in the sheer economic numbers. It lies rather in the fact that, of all the industrialized countries, busy Japan is intrinsically the poorest and the USSR is intrinsically the most richly endowed.

So we can see in clear relief the basic truth of the decade – that the secret for development is the system, an ideology of pragmatism rather than one of fanatic faith.

Still another *leitmotif* of our times is the response to a 21-nation global Gallup survey of problems. Two problems were everywhere rated highest among the populace. Both were economic: high inflation and unemployment.

The Same Concerns

Again, it is not the figures that are important. What is important is the fact that, whether in an underdeveloped Third World country like India or a highly developed country like Norway, people by massive margins had exactly the same concerns.

The soul and spirit of the 1980s are economic, not ideological. Indeed, everywhere in the world one hears much the same thing. Two examples:

- In Iraq recently, a leading Arab thinker said that "the Arab leader of the future will be the man who can do most for his people, period."
- Far away from the the North-South dialogue and poverty line, in icy Finland, the "in" new geopolitical thinking is called "neo-realism." By that is meant a distinct trend away from the left's idealistic thinking of the last 20 years, which argued that the developed world can help the underdeveloped world most by unrestricted handouts.

One of neo-realism's leading thinkers in the diplomatic corps explained that this initially "progressive" trend, started by Sweden, today is in for heavy rethinking. Actually, he said, by giving unlimited aid, which stopped people from helping themselves, such countries as Finland and Sweden were harming people in the Third World.

What do all these different elements have to do with what is going on these days in Washington? A great deal.

Dismayed and disillusioned with Jimmy Carter and his appearance of weakness, masses of Americans voted for Ronald Reagan, thinking – or convincing themselves – that he would be a moderate Republican, an "Eisenhower type," essentially a good manager.

Radical and Ideological

Instead, the administration has shown itself to be more and more radical and ideological. Indeed, two distinct and highly ideological groups within the administration, in contrast to the pragmatic needs being shown by the world, appear to be going in the other direction.

One of these is the far right, whose position the president himself seems to be adopting more and more. The other group is composed of the old Democrats within the administration. This group, which is in some respects even more impassioned than the far right, is still fighting the battle of what they perceive as the destruction of the Democratic Party under McGovernism. This group includes the likes of U.N. Ambassador Jeane Kirkpatrick and human rights director Ernest Lefever.

The questions are these: Is the white-heat passion of these sectors of the administration and their strong ideological bias really appropriate to the pragmatic, non-ideological world out there? Are we out of sync once again?

Are we offering faith when the rest of the world cries for management? Are we acting more and more like a Third World country, swinging back and forth between political extremes, while the Third World is becoming more rational in our old style?

Are we, finally, ignoring why a rational Japan can quietly make such strides – and are we failing to apply its lessons – because we are transfixed by Soviet power and outdated ideology?

HARTFORD ADVODATE (CT)
11 March 1981

SUBJECT TO CHANGE

DICK POLMAN

The Arms Race and National Insecurity

When the first disarmament movement blossomed during the 1950s, Herbert Scoville Jr. was nowhere in sight. He was busy serving in various capacities at the Central Intelligence Agency, as assistant director for scientific intelligence and as deputy research director. But as he now points out, "the CIA isn't all bad," because that's where he developed his convictions about the lunacy of the arms race.

He cannot understand, for example, why the Reagan administration insists on spreading the message that America is somehow vulnerable to a Russian nuclear attack, and that only a massive hike in military expenditures can solve matters. "There's no question that we have better strategic forces than the Soviet Union," Scoville told a handful of Hartford reporters late last month. "We have a better-balanced deterrent force. We put one-third of our money into bombers, one-third into land-based missiles and one-third into sea-based missiles, and the Soviets put 75 percent of their deterrent into land-based missiles—and they're in trouble."

The Russian submarines, he explained, "are distinctly inferior to ours. Theirs are noisy—you can spot them a long ways away. Ours are much quieter—the Soviets can't track us. They have poorer technology on their ICBMs (missiles). But you never hear about that. It's a clear-cut case of a complete misrepresentation of the facts."

And minutes later, addressing a Conference on Military Spending at the University of Connecticut Health Center, he added: "Far too often, most of the people in this country fall for cliches and don't hear what the real facts are. It's important to dispel some of the myths that are in the public's mind. There's too much concern over whether the Russians are 10-feet tall or 20-feet tall. . . . We end up bad-mouthing our capabilities while the Russians boast about theirs. We've got to dispel this myth of American weakness. . . ."

Another Sorry Chapter

Easier said than done; not even Scoville, who also served for six years on the U.S. Arms Control and Disarmament Agency, can make much of a dent in the public consciousness. The opinion polls confirm that most Americans support bigger defense expenditures—and Reagan has responded with a $30-billion hike over the next two years.

And so begins another sorry chapter in the history of the arms race; repeated efforts to restrain arms spending—to prove with solid statistics why the arms race is disastrous to both the world economy and to our own—have met with decisive defeat. Treaties have been negotiated and signed (remember the Test Ban Treaty?), yet proliferation has continued unabated. Jimmy Carter vows in his Inaugural address to work toward banning nuclear weapons from the face of the earth, yet his last budget hiked defense spending by $20 billion; the military juggernaut, however, is probably beyond any president's control at this point. The U.S. Arms Control and Disarmament Agency, when Scoville worked for it, used to routinely compare military and socioeconomic statistics; Nixon ended this practice, and now the ACDA, as one critic puts it, is "a toothless tiger." The U.S. and Soviet Union now have 50,000 nuclear weapons.

It doesn't seem to matter to those in power that the United States, when compared with eight other "free world" allies, ranked first in military expenditures as a percentage of the Gross National Product between 1960 and 1978—and last in its annual productivity growth rate. It was no pie-eyed peacenik in 1953 who said that the arms race was "spending the sweat of its laborers, and the genius of its scientists." It was Dwight Eisenhower. Grumman Corporation builds the F-14, E-2, A-6 and EA-6B aircraft, yet Grumman stocks are the laughing stock of cities coast to coast.

It also doesn't seem to matter that even the Central Intelligence Agency has admitted grossly overestimating the presumed Soviet military build-up. Back in early-1977 there were selective military leaks to the news media warning that the CIA had detected a doubling of Soviet military spending between 1970 and 1975. The percentage of the Russian GNP absorbed by defense had apparently jumped from the six-to-eight percent range to the 11-to-13 percent range. Congress flipped out, and so did Richard Nixon in his latest book; citing this CIA discovery, Nixon declared, "We will find ourselves looking down the nuclear barrel in the mid-1980s."

Turns out, the CIA finding was misinterpreted. Defense spending in Russia was *holding steady*—but it was absorbing twice as much of the Soviet GNP because the economy itself was so inefficient. "Soviet defense industries are far less efficient than formerly believed," the CIA explained, although the American military-industrial complex preferred to sound the alarm anyway.

Down in Washington, regardless of logic, power continues to flow to the insiders. Each year the Defense Department sends a little-noticed list to the Senate Armed Services Committee. This list tabulates the military retirees and high-ranking former Pentagon civilians who have gone to work for defense contractors—or vice versa. The most recent list says that 1,623 Defense employees have moved to industry, with 1,623 moving from the private to the public sector. As United Technologies lobbyist Clark MacGregor told a reporter, "If you've known somebody for a period of time, whether you're selling vacuum cleaners or whatever, people are more likely to listen to you than to someone they do not know."

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ON PAGE 15

TIME
9 March 1981

The Propaganda Sweepstakes

Moscow tries harder

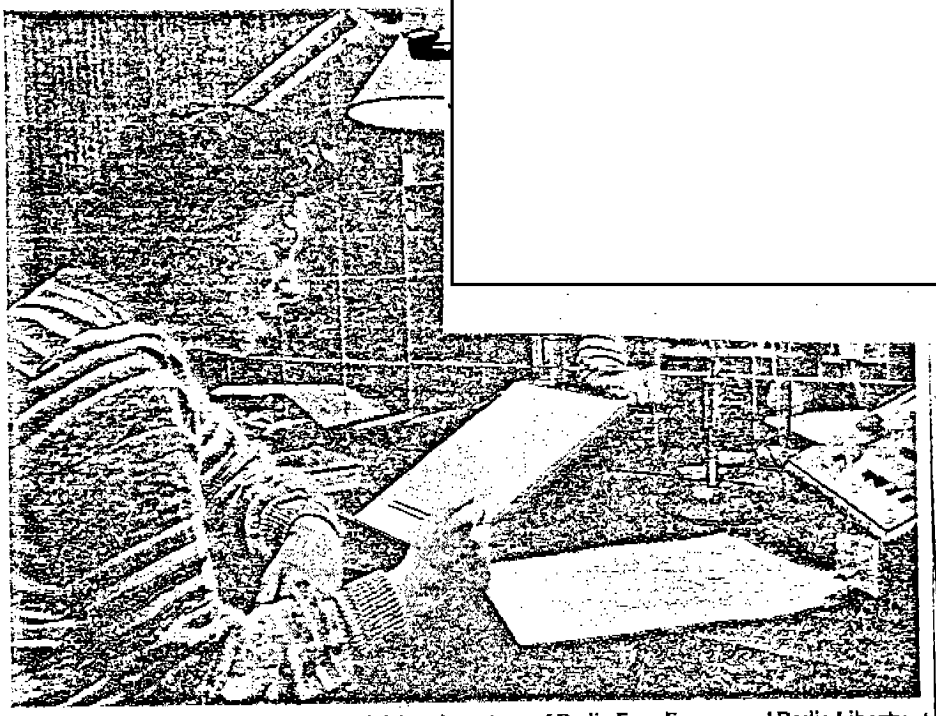
During the day, Deepak Kumar, 10, goes to school in New Delhi. In the evenings he earns a few rupees brushing ticks off the dogs owned by a local American artist. In response to a question from his boss about his classwork, Deepak boasts: "It's all right. I'm best in my class in Russian. And look, I have a library card." The card he proudly displays admits him to the library at the Soviet embassy. There he can find children's books, as well as tracts on Soviet life. He has no comparable access to American literature. Children who want to borrow books from New Delhi's American center must have their parents get a card. Deepak's folks, both of whom work long days, are unable to make the trip.

Every day, around the globe, the hearts and minds of people like Deepak Kumar—as well as his parents and friends—are reached on a battlefield in the East-West struggle where words are the chief weapons. With their troops occupying Afghanistan and massed to pounce on Poland, the Soviets have a lot to explain these days. Through a propaganda effort perhaps seven times as large as that of the U.S., and with more sophistication than ever before, they are doing just that.

The Central Intelligence Agency estimates that the Soviet Union spends $3.3 billion annually on propaganda activities of one kind or another. That includes such overt efforts as Radio Moscow's foreign service ($700 million) and the Communist Party's international activities ($150 million). It also includes such indirect propaganda efforts as TASS, the Soviet news agency, which spends $550 million a year spreading Moscow's view of world events to foreign countries. By contrast, the U.S. International Communication Agency (ICA)—which coordinates the Voice of America, cultural exchanges, films, speakers, exhibits and other aspects of U.S. "public diplomacy"—has a budget of only $448 million. Even if the $87 million the U.S. spends separately for Radio Free Europe and Radio Liberty are included, the total is still a small fraction of the Soviet propaganda budget.

In radio broadcasting, this disparity means that American stations broadcast for 1,818 hours a week in 45 languages, mostly to Eastern Europe and the Soviet Union, while the Soviet Union broadcasts for a total of 2,022 hours a week in 82 languages to virtually every one of the world's 165 countries.

During his presidential campaign, Ronald Reagan spoke for increasing the American propaganda effort, but in this winter of budget cutting no additional money is fore-



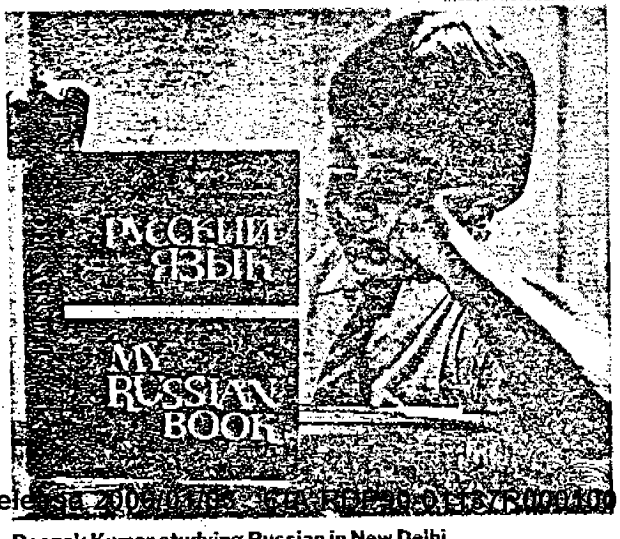
Broadcasting the news from the Munich headquarters of Radio Free Europe and Radio Liberty

seen. This week the President is expected to name a new head of the ICA. The leading candidate: California Businessman Charles Wick, a close friend who was co-chairman of the Reagan Inauguration Committee.

The Soviet counterpart is Leonid Zamyatin, chief of the Central Committee's International Information Department. He is a former director of TASS who operates under the guidance of the party's longtime chief ideologist, Mikhail Suslov. TASS serves as the backbone of Soviet propaganda. The bluntness of TASS's bias often works against it. For example, the Soviets in 1963 provided, free of charge, equipment for receiving TASS bulletins to the fledgling Kenyan news agency. The Kenyans, however, soon started using the equipment to receive Britain's Reuters wire service as well. A former Kenyan journalist says he was supposed to give equal play to both news services, but that the TASS material arrived days later than Reuters, and was too late to be usable. The CIA claims that the Soviets often try to plant loyalists in local broadcasting stations so that TASS reports will get better play.

TASS provides most of the material for Radio Moscow, the Soviet version of the Voice of America. In the past two years the broadcasts have been enlivened by sprinkling Soviet-made jazz and rock music recordings among the turgid recitations of editorials. Radio Moscow propaganda is much less vitriolic than the printed press; a Soviet delegation returning from a visit to the U.S. might be quoted by Radio Moscow as saying that the Americans they met share with them an aim of world peace. The broadcasts in English are now particularly subtle, using announcers who try to sound indistinguishable from those on the VOA or England's BBC World service. This new sophistication, however, does not exclude an unfounded allegation here and there. Soviet media actively spread the word, for example, that the U.S. was responsible for the 1978 kidnaping and murder of former Italian Premier Aldo Moro. In addition, events often have to be filtered through an ideological bureaucracy before they are reported. For example, news of the death of former Prime Minister Alexei Kosygin was withheld for 36 hours by TASS and Radio Moscow. Even Soviet citizens heard the news first on Western broadcasts.

The Soviets also make use of "clandestine" radio broadcasts, transmissions that purport to originate from within a particular recipient country but actually come from the Soviet Union or an East



WISSER PHOTOREPORTERS

Deepak Kumar studying Russian in New Delhi

"And look, I have a library card."

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CHRISTIAN SCIENCE MONITOR
9 March 1981

The Monitor's view

The military budget — 1

How many billions?

Defense is a difficult, complex subject. But when the President of the United States asks Congress to authorize an astronomical $222 billion for the fiscal 1982 military budget — at a time of financial squeeze on all other areas of government spending — the American people ought to take more than a casual interest. In five editorials, which will appear this week, we shall examine some of the issues involved and, we hope, stir discussion.

Let it be said at the outset that the nation's defense is not an area in which to take risks. The armed forces clearly must be adequate to meet security needs, and we doubt any American would begrudge the funds — and sacrifice — required to maintain defense at a demonstratively safe level. That the unceasing Soviet military buildup poses new challenges to the West is a matter of general agreement. The question is exactly what should be done about that challenge.

Our major concern is that the subject receive honest analysis and debate within the government. It would be unfortunate if an exaggerated "Russian menace" became the excuse for bloating the US budget with unnecessary arms programs. The military services always want more weapons and the temptation to push for them under an assertively prodefense administration must be strong. The defense industry — that military-industrial complex which President Eisenhower warned about — is avidly awaiting huge contracts. Defense Secretary Caspar Weinberger, even before he has had time to study the complicated problems involved, has called for a $33 billion jump in military appropriations over the Carter budgets for 1981 and 1982. Are these requests based on meticulously thought out plans — or are they designed in large part to set a national tone of toughness vis-à-vis the Soviet Union? And perhaps for domestic political purposes?

Authorizing money before it is determined what the money is to be for is putting the cart before the horse. The United States needs a sound, long-range military policy. And, as former chairman of the Joint Chiefs Maxwell Taylor notes, the first requirement of such a policy is to know what US foreign-policy and security goals are and, to determine these, what dangers can be expected in the decade or two ahead. Then, says General Taylor, the Pentagon can work out the missions which must be performed and the weapons systems best suited to performing them. "By making task adequacy the standard for force strength," he writes, "our military policy will meet the legitimate requirements of national security without need to resort to a mindless arms race with the Soviets."

Has this precision homework been done? There is not much evidence yet that it has. Instead, much is heard about generalized Soviet arms "superiority" and about the Russians "outspending" the US in defense. Such unqualified statements are misleading. It is hard to conceive that the United States, with more than 9,000 strategic H-bombs, is in a position of overall inferiority to the Russians, with their 6,000 some H-bombs. There are areas in which the Russians have an important advantage (most notably in conventional weapons) and areas in which the US has the clear edge (accuracy of warheads). Overall, most military experts, whatever their disputes over detail, appear to agree that the two superpowers *at present* are in rough equilibrium with each other. This is not to deny areas of US vulnerability — a dated bomber force, a stretched-thin Navy, poor combat readiness, for instance — which must be addressed. But calm determination of actual need will serve the national interest better than broad overstatement.

In this connection, comparing US outlays with those of the USSR is an unreliable business. Most CIA estimates of Soviet spending are based on what it would cost the US to duplicate the Soviet military effort. Yet such a comparison is often fallacious. The Russians, for instance, pay their military far less than does the US and have a more manpower-intensive army. So, as the Center for Defense Information in Washington points out, whenever the US boosts military pay by $1, the Soviet dollar cost increases by almost $2 — making the Soviet Union appear far more threatening than it is.

Furthermore, even if CIA estimates are taken as a guide, the picture is not complete without comparing NATO and Warsaw Pact spending, and here NATO is the undisputed leader. Figures put out by the London-based International Institute for Strategic Studies show the Atlantic alliance considerably outspending the Eastern bloc. NATO also has more men under arms.

However, the basic point is not how much is spent, but how efficiently and effectively it is spent — whether the arms and personnel at hand are sufficient to their mission. Here attention must be given not only to the state of current weapons systems and manpower but to Western defense strategy itself — to organization and doctrine as well as equipment.

One innovative concept heard these days comes from a group of defense analysts who say that with new strategies the US could have a much stronger defense — and without big increases in spending. These specialists, led by retired Air Force colonel John Boyd, argue that the US armed forces are weighed down by a cumbersome, expensive strategy based on overwhelming an enemy by superior numbers of soldiers and weapons. They favor instead "maneuver warfare," a strategy based on defeating an enemy by agile attacks at its weak points with smaller, more cohesive divisions and with smaller, cheaper, and less sophisticated planes, tanks, and ships. Ironically, this is the strategy of the Soviet Union, which maintains large numbers of lean divisions for swiftly overpowering the adversary in intense but short campaigns.

This is not to accept the Boyd group's call for institutional reform at face value. It may not be valid and we are in no position to judge its merit. But it does raise intelligent questions, and it is therefore hoped that Mr. Weinberger and his aides are looking at this and other analyses as they consult with NATO allies and work out a long-term military policy. Challenging conventional thinking could open up fresh ideas and approaches.

One other major item concerns us: moving forward as quickly as possible on SALT. We appreciate that Mr. Reagan needs time to review the whole platter of arms control issues before starting talks with Moscow. But, meanwhile, it is disquieting to hear voices calling for scrapping of the 1972 ABM treaty and other changes. The years ahead are likely to be marked by a higher level of US-Soviet military competition and tension, which would make nuclear arms control even more crucial if the superpowers are to preserve a balance and contain the risks of nuclear war. Both sides are developing new systems, such as counter-silo capabilities. Both are scurrying to keep up with new vulnerabilities. This spiral, driven by military institutions on both sides, needs to be broken.

Economics alone should bring both sides to the negotiation table. It is hard to imagine the Reagan administration will not be eager to pursue arms control — and to scale down its budget projections — when it realizes the impact on the US economy of rising defense costs. Few believe the President will be able to balance the budget and cut taxes without also curbing arms outlays.

Other issues could be touched upon, including the massive defense-budget waste which the outgoing US comptroller general says runs into billions of dollars annually. Subsequent editorials will deal with the MX, bombers, naval strategy, and the draft. But the main point we would make today is that US security cannot be bought by throwing dollars at the very real problem of Soviet military growth. Americans want to be assured that the White House and Congress are applying standards of cost-effectiveness, efficiency, and legitimate purpose as they seek to put the

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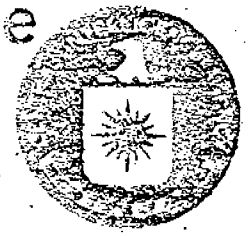
NORWICH BULLETIN(CT)
8 March 1981

The CIA's blunders cou

This three part Bulletin series on 20 years of CIA estimates of Soviet military capabilities reviews two decades of charges that since the early 1960s the CIA has systematically underestimated Soviet military spending, technical capabilities and weapons deployment.

Today's first installment, "The Security Blanket That Failed," explores the scope of the blunders as seen by a number of experts who have analyzed the reports during both Republican and Democratic Administrations.

Intelligence blunders



Part I: The security blanket that failed

By WILLIAM F. PARHAM
Bulletin Staff Writer

WASHINGTON — The U.S. government has wasted billions of dollars over the past two decades on inaccurate estimates and forecasts of Soviet military spending and capabilities, according to present and former U.S. intelligence and defense officials.

Ever since the Soviets encouraged the U.S. in the late 1950s to overestimate Soviet deployment and accuracy of intercontinental ballistic missiles (ICBMs) which led to the famous "missile gap", U.S. Presidents and Congresses have reached arms limits agreements with the Soviets and have determined U.S. defense investments on the basis of inaccurate intelligence about what the Soviets were spending on defense and what weapons they were planning to deploy, strategically as well as tactically, The Bulletin has learned.

The inaccurate intelligence has been the subject of often heated debate within the intelligence community since the mid-1960s, with some critics claiming they were forced out of the CIA for questioning the agency's figures. Recently, more ominous questions have been raised about possible explanations for the errors.

Was it simply the result of bureaucratic bungling or stubbornness on the part of those involved, some of the critics ask. Or was it the result of Soviet deception possibly including "moles" or Soviet agents in high positions in the U.S. government?

Whatever the cause, it is beginning to dawn on Capitol Hill and throughout the new Administration that the money wasted on the poor estimates may be only the tip of a very unpleasant iceberg.

An even more significant cost of the U.S. intelligence community's persistently low estimates may be realized in the hundreds of billions of dollars the U.S. may decide to spend during the 1980s on extremely expensive crash programs, such as the MX missile, to prevent the Soviets from gaining an irreversible military advantage, experts say.

If the crash catch-up programs fail over the next decade, says one analyst on Capitol Hill, the ultimate cost of the mass
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— The CIA was apparently caught unawares by the introduction, refinement ordeployment quantity or timing of at least 18 major new Soviet weapons systems and technologies.

Also, analysis of the annual Posture Statements of the various Secretaries of Defense against subsequent developments shows the CIA was caught by more rapid or extensive development or deployment than it had expected of numerous systems and technologies, including:

— A large deployment of Soviet medium bombers in the late 1950s and early 1960s;

— A large deployment of medium/intermediate-range ballistic missiles (M/IRBMs) in the same period;

— The deployment of a second generation of sub-launched ballistic missiles (SLBMs), SS-N-8s, on a fleet of Yankee-class subs in the mid-1960s;

— The deployment of multiple independently targetable reentry vehicle (MIRV) warheads on ICBMs;

— The development of a third generation of Soviet intercontinental ballistic missiles (ICBMs), the SS-16,

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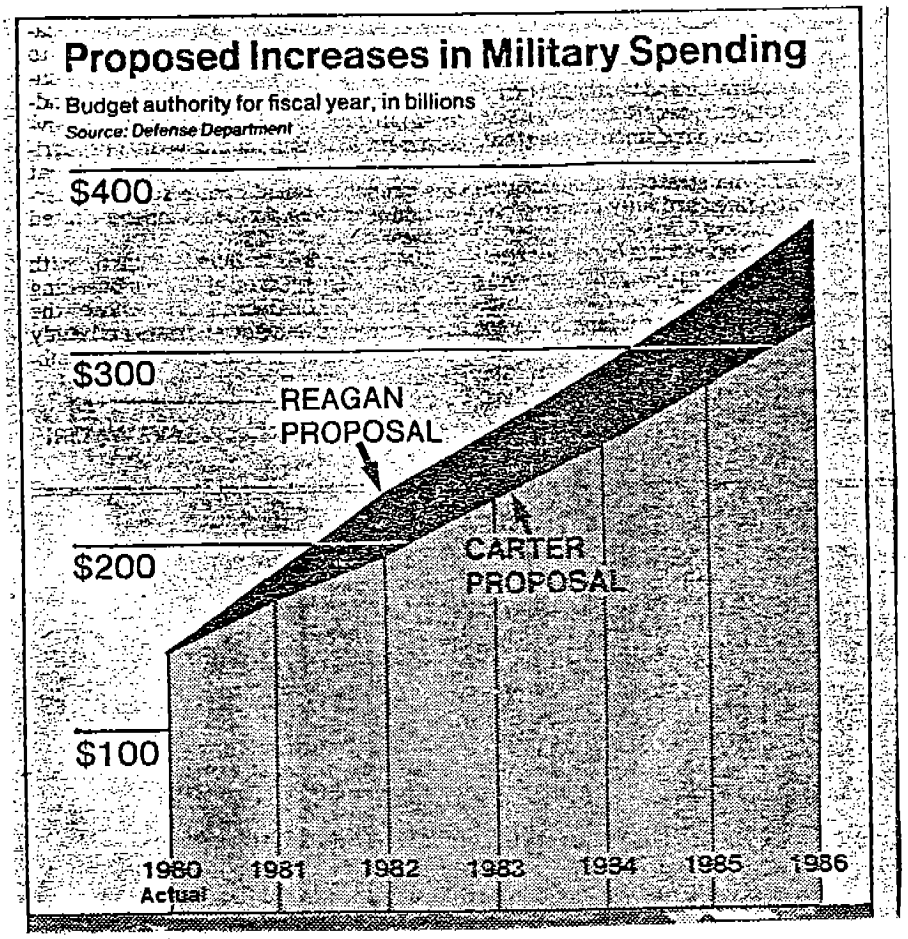
NEW YORK TIMES
5 MARCH 1981



Views Vary on Soviet Arms Cost

Special to The New York Times

WASHINGTON, March 4 — In requesting major increases in its 1981 and 1982 budgets, the Defense Department said today that military spending by the Soviet Union "has exceeded" that of the United States for more than a decade.

In repeatedly making this assertion in recent months, American officials, including Defense Secretary Caspar W. Weinberger, have put the size of the spending gap as high as 50 percent.

But some analysts maintain that this comparison significantly overstates the cost of the Soviet military program because American estimates of the Soviet military budget are based on what Russian equipment and manpower would cost the United States.

The department, in response to an inquiry, said that the figures used by President Reagan, the Joint Chiefs of Staff and others were all based on calculations by the Central Intelligence Agency on the dollar cost to the United States of Soviet military programs.

Thus, these analysts said, the far higher pay of American volunteer forces would make the Soviet military budget appear substantially higher than it actually was.

ARTICLE APPEARED ON PAGE 15 BOSTON GLOBE 3 March 1981

Soviet military 'outspending': It doesn't add up

JOHN O'GRADY

At a time when other departments are facing massive budget cuts, President Reagan has exempted the Pentagon, because, "I know that you're all aware, but I think it bears saying again: that since 1970 the Soviet Union has invested $300 billion more in its military forces than we have." I, however, am not aware. Examination of the CIA study from which President Reagan got the $300 billion figure reveals that his exemption is based on a statistical construct so flimsy it borders on the fraudulent.

In 1976, the CIA stopped publishing estimates of real Soviet military spending. This was done after admitting that the agency's 25-billion ruble estimate of annual Soviet military spending had been 100 percent too low, on the grounds that "the Soviet military production complex is . . . about half as efficient than we thought it was." This should have comforted those who fear that the Russians are coming. Instead, defense industry lobbyists and others have used the doubled figures to argue that America should quickly respond with higher military budgets. For example, in "The Real War" Richard Nixon wrote, "Thanks in part to this intelligence blunder, we will find ourselves looking down the nuclear barrel in the mid-1980s."

The estimation of real Soviet defense spending is tricky for at least two fundamental reasons: Soviet secrecy is almost impenetrable and the workings of the Kremlin's command economy are difficult to translate into terms familiar in the West. When, in 1976, the CIA discontinued publication of its studies of *real* Soviet military spending, the agency — under George Bush — began the annual publication of the estimates of *hypothetical* Soviet spending referred to by President Reagan. Today, the hypothetical estimates are so commonly mistaken for real estimates that on the campaign trail Bush himself said, "Moscow is spending $50 billion more than we are on defense right now."

The hypothetical dollar numbers in question are actually estimates of how much it would cost American taxpayers to finance the military effort of the USSR.

In the 1981 dollar study, the CIA claims that the estimates are "unbiased" and subject only to "random errors." The study fails to point out that many of the CIA's estimates of Soviet arms costs are provided by US weapons manufacturers — who can hardly be expected to produce unbiased figures.

Because we often don't have accurate information on the nature of Soviet military research and development (R&D) work, it is especially difficult to estimate the costs of R&D. The CIA study notes that although the R&D cost estimate is growing rapidly, it is very unreliable.

In the CIA's calculus, Soviet conscripts, who receive a base pay of four rubles per month, are assigned American base pay of $500 per month. Not only do the CIA-created costs of Soviet manpower have nothing to do with the Kremlin's payroll, but also every time we give our men a pay raise of $1, Soviet dollar costs increase by almost $2 because the Red Army is so much more manpower-intensive than our own. Under this statistical construct the faster we run the farther behind we get. If President Reagan's announced goal of making American military wages more competitive with civilian salaries is implemented this year, the Soviet dollar threat will look even greater next year.

The CIA claims that a secret panel of outside economists has approved the CIA costing procedures and verified the aggregate results. Publicly, however, outside economists repeatedly denounce the CIA estimates. Professor Steven Rosefielde, a specialist of the Naval Postgraduate School, says that the CIA numbers have an "unacceptable discretionary element in them" and are "unreliable in dollars . . . unreliable in rubles."

Even if the dollar numbers are reliable estimates of how much it would cost to duplicate Soviet military effort in the United States, they would seriously overstate actual Soviet costs. What is efficient to produce in the manpower-intensive economy of the USSR is frequently inefficient to produce in our more capital-intensive, technologically advanced economy. This is such an important factor that last year's Pentagon comptroller confidently testified that the so-called 'gap' in spending largely disappears when relative Soviet-American efficiencies are considered.

Even if we assume that the CIA dollar figures do represent estimates of real Soviet military spending, the trend is quickly reversed when alliances are compared. By former Secretary of Defense Harold Brown's calculations, NATO has outspent the Warsaw Pact by at least as much as the Soviets have outspent America in the years since 1970. If Chinese forces are included on our side, the anti-Soviet bloc spending lead is even greater than $300 billion.

If President Reagan and other influential American leaders were to re-evaluate the hypothetical CIA dollar estimates of Soviet military activity, they would not cut the Pentagon's budget on the grounds that the Soviets are "outspending" the United States.

John O'Grady is a consultant at the Center for Defense Information, a nonprofit public-interest research organization in Washington.

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ON PAGE 30

TIME MAGAZINE
2 MARCH 1981

Eagleburger (left) meeting with Foreign Minister Hans-Dietrich Genscher in Bonn

Winning Hearts and Minds

U.S. officials launch an offensive over El Salvador

"The insurgency in El Salvador has been transformed into a textbook case of indirect armed aggression by Communist powers." With that stark assertion, the Reagan Administration last week launched a carefully orchestrated campaign to demonstrate that the Soviet Union, Cuba, Viet Nam and other Communist nations have been smuggling arms to the leftist guerrillas in El Salvador. The Administration's motive is to win support for increased U.S. military aid to that strife-torn nation, and the intensity of the effort is stunning.

A U.S. delegation headed by Lawrence Eagleburger, Reagan's choice as Assistant Secretary of State for European Affairs, visited five European capitals with fresh evidence of Soviet-bloc mischief. Another team of U.S. envoys, headed by Lieut. General Vernon Walters, set out for Latin America. Secretary of State Alexander Haig headed for Capitol Hill to brief congressional leaders. The State Department provided embassies of friendly governments in Washington with a lengthy memorandum detailing its evidence. This week the Administration will cap its campaign with the release of a "white paper" summarizing its case that, as one State Department official put it, "El Salvador is an East-West conflict."

In what proved to be one of the most complex intelligence assessments conducted since the 1962 Cuban missile crisis, officials at the State Department, the Central Intelligence Agency, and the Defense Intelligence Agency worked feverishly for more than two weeks assembling the evidence. Many of the details were provided by a clearly prejudiced party —the Salvadoran armed forces—and had to be double-checked. U.S. officials then had to tailor a presentation for foreign officials that would not reveal intelligence sources in Central America.

In the most dramatic briefings of the week, Eagleburger offered his European listeners a chronological summary of Soviet-bloc efforts to arm the rebels. He described how, over the past two months, Soviet-built transport planes have been flying from Cuba to Managua, Nicaragua, and unloading a variety of American- and European-made arms, which are eventually smuggled into El Salvador. He backed up his assertions with a slide show that included blowups of documents allegedly written by a Communist guerrilla leader and detailing commitments made by Viet Nam, Ethiopia, the Soviet Union and East European nations to provide military hardware. Perhaps the most dramatic evidence was a series of photographs of a tractor-trailer said to have been captured in Honduras. Underneath the trailer's false bottom was a cache of about 150 M-16 assault rifles. Serial numbers on U.S. weapons recovered from the guerrillas have been traced to the arsenal left behind by U.S. forces in Viet Nam.

West European officials were somewhat surprised that, as one top British diplomat put it, "the first business of the U.S. with its European allies should turn out to be El Salvador." Yet they seemed uniformly impressed by the evidence and grateful to the Reagan Administration for consulting with them. "We are now inclined to believe that arms of a certain precise origin are being used with the aim of destabilizing El Salvador," admitted a French official last week.

Bonn, Paris and London all expressed concern, however, about just how far the U.S. should go in supporting the military-civilian junta now ruling El Salvador. West German Chancellor Helmut Schmidt is in an especially uncomfortable position, since leftists in Schmidt's own Social Democratic Party support the Salvadoran guerrillas. Officials in all three capitals made it clear that they would like to see the U.S. strive for a negotiated settlement between the warring factions in El Salvador rather than risk escalating the conflict by supplying more arms. Officials in Bonn and Paris also asked the U.S. to urge the Salvadoran government to demonstrate greater respect for human rights —an indication that the Reagan Administration's reluctance to press friendly regimes on their human rights records may not be shared by some allies.

On his mission to Latin America, Walters, formally deputy chief of the CIA, visited Mexico and Venezuela, and this week he plans to stop in Brazil, Argentina and Chile. Though Walters conferred with Mexican President José López Portillo, neither country would confirm the meeting publicly; Mexico sympathizes with the Salvadoran guerrillas, and Walters' visit could be an embarrassment.

Congressional leaders responded favorably to the briefings. Senator Charles Percy, chairman of the Senate Foreign Relations Committee, vowed that "this nation will do whatever is necessary to prevent a Communist takeover in El Salvador." He added: "We are prepared to draw the line here, here and now." Nevertheless, Percy warned Haig that the U.S. must also insist that the junta step up its search for the murderers of three American nuns and a lay religious worker killed in El Salvador last December.

Indeed, there was growing concern, in Congress and in Europe, that the Administration is turning a blind eye to the Salvadoran junta's faults and is prepared to offer military assistance without qualification. To quell such fears, the State Department issued a statement last week emphasizing its support of "basic economic and political reforms, including elections in 1982-83," in El Salvador.

Meanwhile, TIME has learned that Washington is debating whether to send Army mobile training teams to El Salvador. The teams, composed of half a dozen soldiers, are typically sent to foreign countries to instruct infantry units in such subjects as weaponry and reconnaissance tactics. Team members are not combat advisers, and congressional approval is not required to send them to El Salvador. Nevertheless, the proposal is generating controversy in both Washington and San Salvador. Defense Secretary Caspar Weinberger told the State Department last week that he could not go along with the plan. Salvadoran government officials fear that if they accept the teams they will be admitting they need outside help to defeat the guerrillas. Still, leftist guerrillas are beginning to skirmish again with Salvadoran soldiers, scarcely a month after the defeat of the insurgents' self-proclaimed "final offensive." Authorities in San Salvador are predicting a long struggle—and it is one in which U.S. soldiers could possibly find themselves under combat fire. —*By James Kelly. Reported by Roberto Suro/Washington with European and Latin American bureaus*

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ARMED FORCES JOURNAL INTERNATIONAL
March 1981

Strategic Initiatives to Bridge a Budget Chasm Too Big for Dollars Alone to Cure

by Benjamin F. Schemmer

NO ONE SHOULD CHEER PREMATURELY over the 30-plus billion dollar FY81 and FY82 budget increases which President Ronald Reagan and Defense Secretary Caspar Weinberger have been deliberating to "re-arm America" and were ready to unveil about the time this issue comes off the press.

The "strategy-force mismatch"—as Chairman General David Jones now describes America's military *power* compared with its strategic *commitments* and Russia's increasing ability to disrupt our strategic *plans*—has grown too big to be surely or safely cured by more dollars alone.

A much larger defense budget *is* needed, to be sure, and polls over the past two years show that American voters clearly realize it; in fact, one might call last November 4th's election the *ultimate* such poll. Voters simply grew tired of arguing with officeholders who had voiced either complacency about or pride in the state of American readiness, and sent them back to their constituents to form, out of office, an unfiltered appreciation of how inadequately the voters felt they had acquitted their stewardships over our national security posture.

But there are not enough dollars in *any* foreseeable American defense budget, or any likely combination of them over the next four or so years, for dollars alone to bridge the chasm that now exists between US and Soviet military capabilities.

The Budget Chasm

Journal readers are familiar by now with the accompanying chart showing how rapidly US and Soviet defense expenditures have diverged since 1971 in favor of Russian military might. The difference between those two spending curves now adds up to over $300-billion: the gulf in military capabilities that has resulted is about as big as it would have been if the US and Russia *had* been spending equal sums on defense, but the US simply *quit* spending *any*thing three years ago.

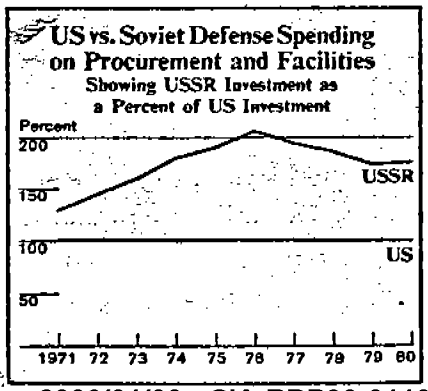
Purists will object to such an oversimplified analogy, of course. Some will argue that the US started from a better base in 1971, when we were spending more on national defense than the Soviet Union; others will offset that objection by pointing out that we were spending more trying to wind down a costly war in Southeast Asia and have been trying ever since to rebuild a capital investment plant (ships, planes, helicopters, and production tools) that we wore out fighting that underfunded war. Some will argue that CIA estimates of Soviet spending are imprecise; but so our own have become, as White House and Pentagon program analysts change their bean counts every few months to adjust what they *thought* we were going to buy for what they found out we *could* buy after correcting the flaky inflation estimates and cost assumptions built into every one of our recent defense budgets. Some will argue that defense spending by our NATO allies offsets much of the greater Soviet investment in military power. That *was* true a decade ago, when NATO outspent the Warsaw Pact by about 31%; but much of *that* difference was still accounted for by America's investment in the Vietnam War; *since* 1976, NATO and Warsaw Pact defense expenditures have run about equal—$177.4-billion for the Warsaw Pact in 1978, for instance, compared with $177.2-billion for NATO that year, well within the uncertainty level of any such estimate.

The *real* difference, of course, is that all such US estimates of Soviet defense spending—whether from the Central Intelligence Agency or the Arms Control and Disarmament Agency—assume that the Russians pay their military personnel at western pay scales and retire them at annuities comparable to ours. They don't.

The Equipment Chasm

Thus, significantly more of the total Warsaw Pact investment in defense goes into its investment accounts, or capital equipment—the munitions and spare parts and planes, ships and tanks that soldiers and airmen and sailors need, whatever they are or are not paid, to fight a war, to sustain a war, and to win a war. This CIA chart shows the difference vividly.

By 1976, Russia's annual spending on equipment procurement and defense installations had grown to twice the US effort. US defense investments grew faster beginning in 1978 than Soviet spending increased, but Russia has still spent about 75% more on new weapons, spare parts, and construction of military installations than this country. Thus, over the past 10 years, Russia has spent about $220-billion more than we have producing new military hardware. They have outproduced us for a decade by about 75% a year. We would need to produce this year (Fiscal Year 1981) 5½ times as much weaponry as we are buying to bridge that gap. The gap has become a chasm.



As a result of disparities like this in our relative defense efforts, the NATO/Warsaw Pact equipment balance in the vital Center Region of Europe deteriorated between 1970 and 1980 to the extremes shown at the top of the opposite page.

Disparities between Soviet and Western strength growing as fast as these have grown are not going to be bridged by "three percent" increases in NATO defense spending, or bridged fast enough even by five or six percent increases in US defense budgets—especially in a period when, CIA estimates, there is now a "difference of 50%" between overall US and Soviet defense spending and when, CIA projects, "Soviet dollar costs will continue to grow for the next five years at approximately the same rate as they have in the past."

Band-Aids That Won't Work

The "Problem" is illustrated graphically at the bottom of the opposite page.

It looks as if President Reagan and Caspar Weinberger plan to add $6.2-billion to the Fiscal Year 1981 defense budget supplemental request submitted on January 15th by President Carter. To round off the numbers about as crudely as the various estimates of US and Soviet defense expenditures have to be formed, one could call the Reagan/Weinberger $6.2-billion FY81 supplemental "The $5-billion 'Fix'." Five billion dollars won't fix much; the second chart at the bottom of the opposite page shows how little of the budget chasm $5-billion will span.

It looks as if President Reagan and Secretary Weinberger plan to increase President Carter's proposed Fiscal Year 1982 defense budget by $26.4-billion. In the same spirit of imprecision, let's call that increase "The $25-billion 'Fix'." *Twenty-five billion dollars won't "fix" that much either*, as the third graph shows: it fills about one-eleventh of the gap.

The chasm which has grown between US and Soviet military might is not going to be "fixed" by *any* conceivable near-term set of defense budget increases: there is simply not enough money in the US Federal treasury—or in the combined trea-

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ARTICLE APPEARED
ON PAGE A-3
NEW YORK TIMES
26 FEBRUARY 1981

U.S. Raising Security at Its Embassies

By CHARLES MOHR
Special to The New York Times

WASHINGTON, Feb. 25 — The Reagan Administration told Congress today that it was "urgently upgrading" physical security measures at two dozen United States diplomatic missions abroad where there is a "high threat" of attack.

Under questioning by Democratic members of the House Foreign Affairs Committee, Walter J. Stoessel Jr., Under Secretary of State for Political Affairs, said it was "correct" that the new Administration was not ruling out the possibility of negotiating in a future seizure of American personnel. At another point, Mr. Stoessel said that "we would not wish to be categorical" about a policy of no negotiation.

However, his remarks did not appear to be any significant retreat from the new Administration's policy, which was enunciated last week in reference to the American hostages Iran held and was reiterated by Mr. Stoessel in his prepared statement this morning, that "we would not have negotiated for the hostages' release."

Mr. Stoessel, the third-ranking official in the State Department, stressed several times that the Administration would act "swiftly" and "expeditiously" in any seizure of hostages and would try to avoid prolonged and deadlocked bargaining with terrorists or a hostile foreign government.

Missions Not Identified

Mr. Stoessel outlined steps the Government is undertaking or studying to improve and clarify antiterrorist policy. He said a special fund of $41.9 million, already appropriated by Congress, was being used to upgrade security measures at 24 "high threat posts" abroad, adding that survey teams had gone to 17 of the posts. A State Department spokesman said the posts would not be identified for security reasons.

Officials have said that the Marine guard detachments, electronic locks, steel doors and other security measures at embassies and consulates are not intended to permit prolonged defense without help from the host government.

Mr. Stoessel said the improvements would enable missions to delay attackers long enough to destroy national security information and "to permit personnel to withdraw to a secure safe haven." An official said later that this meant a haven in an embassy building where diplomtic personnel could await rescue by a host government. In the case of Iran, the Government sent no help.

Intelligence Effort Made

Saying that "more extensive intelligence and better information on terrorist threats" was needed, Mr. Stoessel remarked that the intelligence agencies were "now giving very high priority" to improving a now inadequate base of information. This would improve early warning of trouble, he predicted.

Mr. Stoessel also said the State Department was refining its ability to deal with crises by "training, simulations and crisis exercises" and was seeking better cooperation with other departments. He added that the United States was studyng "a wide range of possible international initiatives" to obtain more rapid and certain international sanctions against any nation that violated diplomatic immunity.

He said the public and perhaps terrorists had thought the United States was not serious in its policies on terrorism.

"This Administration has made absolutely clear that it will react swiftly, effectively and with all the resources at its disposal should we face an act of state-supported violence and terrorism in the future," he said.

ARTICLE APPEARED
ON PAGE A16

THE WASHINGTON POST
25 February 1981

LETTERS TO THE EDITOR

Strengthening Intelligence Operations

Morton Halperin's article "How Reagan Can Improve the Intelligence Product" (op-ed, Feb. 5) calls for comment.

According to Mr. Halperin, permitting intelligence agencies to spy on Americans would divert them from the real threat, the KGB. Has he never heard of Rosenberg, Greenglass, Martin, Mitchell, Dunlap, Lee, Boyce, Kampiles, Barnett, to name only a few?

Mr. Halperin urges the complete separation of the clandestine intelligence collection function from the rest of CIA, which would become solely an analysis agency. In fact, during the early days of the CIA, there was, for all practical purposes, just such separation, and it didn't work.

Mr. Halperin tells us there should be a new intelligence coordinating position in the White House. This is pretty much what the NSC staff already does. But if he means an intelligence czar to rule over the community, it has been often considered and always rejected. Such a czar would be a head without a body, having no resources of his own.

Mr. Halperin thinks that special emphasis should be given to scholarship and analytical capabilities. Indeed the intelligence community has long benefited from the work of outstanding scholars. But even the best scholars can't suck facts out of their thumbs, and without the red meat of fresh and reliable factual reports, the analysts don't have much to chew on.

To be sure, we need both good scholars and good spies. But spies are a lot harder to come by than the scholars, especially in these days when we can't give them adequate security protection. And if Mr. Halperin wants to strengthen our intelligence effort, let him step forth and support those legislative measures, which he has heretofore been so active in opposing, designed to protect intelligence sources, methods and identities.

JOHN M. MAURY,
President,
Association of Former Intelligence Officers.
McLean

ARTICLE APPEARED
ON PAGE 34

PHILADELPHIA INQUIRER
21 FEBRUARY 1981

National

An economist disputes CIA assertions on Soviet military spending.

President Reagan has said that Soviet military spending has outpaced U.S. defense spending by $300 billion since 1970. "This is to a large extent a myth," said Tufts University economist Franklyn D. Holzman. He said the figures used by Reagan are based on Central Intelligence Agency figures, which Holzman said are exaggerated. It is virtually impossible for the CIA to correctly compare Soviet and U.S. spending figures because of the difficulty of comparing rubles and dollars, he said. Furthermore, he said the CIA readily admits this difficulty, although it never alludes to it in its reports. He said that there is a margin of error of 15 percent in the CIA's estimates each year and that it could be higher for individual items.

DES MOINES REGISTER
21 February 1981

Obsessed by Soviet arms

When it comes to spending money for planes, tanks and ships, the Reagan administration is determined to keep up with the Brezhnevs, a wasteful and therefore harmful business.

President Reagan on Wednesday night told the Congress and the nation that the Defense Department budget is the only budget in government that will grow. Reagan proposed a $7.2 billion increase in military spending in fiscal 1982, in addition to the already large increases recommended by former President Carter.

Reagan justified this with the assertion that "since 1970, the Soviet Union has invested $300 billion more in its military forces than we have."

Whoever said "There are lies, damn lies and statistics" realized how easy it is to distort figures. Apply this to figures that purport to show Soviet military spending.

Since the Russians lie about their military spending, the Central Intelligence Agency has to try to find out how much hardware the Russians produce every year and how many men they keep under arms. Then the CIA tries to compute how much — in dollars, not rubles — it would cost to duplicate what the Soviets produce. That's how the government came up with that $300 billion figure the president used in his speech.

This is a haphazard process, and the information it produces is little more than guesswork. It is certainly not reliable enough to be used as a basis on which to formulate the expenditure of billions of U.S. tax dollars.

Even if the United States knew to the penny (or kopek) how much the Soviets spend on their military, the information would not be very helpful. The Soviets base their military spending, in large measure, on their needs, and the military needs of the Soviet Union are different from — and far greater than — those of the United States. For one thing, the Soviet Union maintains a million-man army along the border with China.

Obviously, the Soviet Union is one factor that any U.S. president must be concerned about, and Soviet military spending and strategy must figure in his decisions. But in recent years, Washington has become almost obsessed with the Soviet military budget and has neglected other potential threats to the national welfare.

The United States ought to begin by finding out what its problems are, and which of those problems are likely to be solved by military means. Then it ought to spend whatever is necessary to solve them, whether that is $300 billion more than the Kremlin spends or $300 billion less.

It is time the United States and not the Kremlin decided the size of the U.S. military budget.

ARTICLE APPEARED ON PAGE A-22

NEW YORK TIMES
11 FEBRUARY 1981

Bringing Back 'Spooks' To Revitalize the 'Plant'

By Archimedes L. A. Patti

MAITLAND, Fla. — The victims of the "Halloween massacre" may soon be vindicated. They were the old Central Intelligence Agency hands summarily dismissed by Admiral Stansfield Turner in a large-scale purge on Oct. 31, 1977, because he "preferred to get new young people, to promote promotions and flowthrough." Most of them were highly trained and experienced intelligence officers of the senior and middle levels; some were station chiefs in London, Vienna, Bonn, Ottawa, and Latin America. It is said in Washington that William J. Casey, the new Director of Central Intelligence, will bring back many of these former "spooks" to rehabilitate the "plant."

Severe criticism of the C.I.A.'s effectiveness has been leveled by friend and foe. Some say that it has failed to forecast turmoil in the world's trouble spots because it has relied heavily on technology instead of using human agents on the scene. Others complain that shortages of electronic means, spy satellites, and trained analysts are responsible for faulty estimates. The truth is somewhere in between.

More distressing is the often heard charge that the White House has used the Agency as a tool to justify predetermined policy, rather than as a means of providing policy makers with solid information as a basis for sound decision-making. This charge, if true, would be contrary to Congress's intent in creating the C.I.A. The National Security Act of 1947 directs the Agency to collect, evaluate, and provide the policy makers with processed intelligence. The act also states that the C.I.A. will perform *such other* functions and duties as the National Security Council may direct. By implication, the C.I.A. has been directed by the Council to conduct clandestine operations, political and economic warfare, and "dirty tricks." These are not intelligence activities, but a dubious means of carrying out national policy.

To prove this point, critics focus on the Agency's role in restoring the Shah of Iran to power in 1953, its support of his secret police, the Savak, and its failure to accurately assess the situation in 1978-79 that led to the attack on our embassy in Teheran. If the C.I.A. had anything to do with these events, it was not performing an intelligence role but simply carrying out predetermined national policy.

Friend and foe also recall the Agency's shortcomings in 1961: the Bay of Pigs fiasco, the failure to give adequate warning of the construction of the Berlin Wall, and the rift between Syria and the United Arab Republic.

Our greatest failure since Pearl Harbor, some say, involved the surprise deployment of Soviet missiles in Cuba. Despite aerial surveillance, they went undetected for more than a year until mid-September 1962. Why? A Senate committee concluded that the C.I.A. had ignored reports from Cuban refugees and exiles, considered biased and unreliable, and that there was a "predisposition of the intelligence community to the philosophical conviction that it would be incompatible with Soviet policy to introduce strategic missiles in Cuba."

Evidently our intelligence chiefs have lost sight of their responsibility to produce timely and evaluated *intelligence*. Unquestionably these failures existed long before Admiral Turner took over the C.I.A. in March 1977, but his infatuation with technology and inexperience in intelligence operations de-emphasized the trained field operative and the specialized analyst in Washington in favor of more-glamorous devices. His decision to eliminate field operatives perpetuated the Agency's deficiency in determining *intent*.

Radar, satellites, and listening devices can and do produce hard information, but they cannot tell us *when or why* an action will be taken — in other words, the *intent*.

Jimmy Carter admitted in November 1978 that he had been "concerned that the trend. . . to get intelligence from electronic means might have been overemphasized" and had asked his aides to improve methods for gathering information on sensitive developments abroad. This has not been done.

The C.I.A. seriously needs rehabilitation, especially in the area of valid estimates. Nothing is more crucial in international affairs than the relationship between intelligence and policy, or, put differently, between knowledge and action. Here is where the C.I.A. has been weakest. Too often our decision-makers have not had the benefit of adequate intelligence, skillfully synthesized into valid estimates.

One hopes that the Casey team will return to the basic precepts of intelligence — the use of people to collect, analyze, and report information. Not that technology should be abandoned; rather, it should assist and augment the field operative and analyst. Only humans can make value judgments and forecast intent.

Archimedes L. A. Patti, who served in various military-political intelligence posts, though never for the Central Intelligence Agency, from 1969 to 1971 was a staff member of the Executive Office of the President, specializing in crisis management and national security affairs. He is author of "Why Viet Nam?"

NEW REPUBLIC
7 FEBRUARY 1981

Q: "Can third world radicalism be tempered by more US generosity and understanding?" Haig. "No."

An Interview With Alexander Haig

by Arnaud de Borchgrave and Michael Ledeen

Q: What do you consider America's greatest foreign policy priorities?

Haig: There are three basic ingredients: consistency, reliability, and balance. Balance is somewhat more subtle than the other two. It involves the broad implications of political, military, economic, moral, and security interrelationships. They are all part of a single mosaic and must be managed in accordance with that conception.

These three goals can be accomplished only under the umbrella of confidence in our security capabilities, which are fundamentally threatened today by the eroding East-West balance. So these three basic elements are themselves linked to a fourth, crucial factor: American strength. And I would go beyond that. All these ingredients have to be brought together under a fundamental recognition of interdependence. That means multilateral approaches (which heretofore have not been successful) among all those who share common approaches with us and are threatened by the same forces that concern us.

Q: Some observers of your testimony before the Senate Foreign Relations Committee have concluded that the Reagan administration will not attempt any major innovations in foreign policy, but will focus on attempting to restore perceptions of American credibility and dependability. Is this accurate?

Haig: That is an oversimplification. The problem of consistency and the problem of reliability and the problem of balance will demand in some instances very innovative steps. We're not seeking change for change's sake. Yesterday's perceptions don't have to be molded to the conceptions that this administration may or may not have. We have been acting against our own best self-interests. So the most immediate task is to reverse a number of both nuanced and fundamentally sharp departures from actions which would be designed to achieve our basic goals.

For example, when one looks at the past handling of the human rights issue—and here I don't wish to be polemical at all—the functional separation of its treatment from the basic conduct of American foreign policy in a regional sense (done by regional bureaus) has distorted the issue, put in jeopardy the accomplishment of the objective itself, and has had a most deleterious effect upon the conduct of our other affairs with both regions and states. To be sure, from time to time it is necessary to focus on extraordinary abuses in a specific situation, thereby relegating other aspects of that situation to a secondary position. I contend that today the greatest area of concern to all free nations is the explosion of international terrorism and associated illegal interventions and wars of so-called national liberation by the Soviet Union and its proxies. I expect to give this issue a higher profile both in terms of our management of it and in the context of overall East-West relations.

Q: President Pertini of Italy recently told a French interviewer that he believed the Red Brigades were guided from outside his country, and he suggested that the terrorist central may lie in an area of the world which wants to see the elimination of Italy as a democratic bridge between Europe and Africa. Many people took him to mean that the Russians and their allies had such an interest, and were involved in such terrorist activities.

Haig: We are terribly concerned about international terrorism, and you can be sure that it will have a top priority in the immediate future. One of the problems we have faced in this field is the lack of first-rate intelligence. The information is surely available, and we are going to have to go out and get it.

Q: To get closer to home: Alfonso Robello, a former member of the Sandinista ruling junta, has chosen exile and has denounced his colleagues for allowing Nicaragua to become a satellite of a satellite of the Soviet Union—Cuba. Another defector from Salvadoran guerrilla ranks says that there are about 200 Cuban military advisers with the Marxist rebels trying to overthrow the Salvadoran junta. And even American ambassador Robert White, long a critic of the junta, has recently said that the United States has solid evidence of Cuban involvement in Salvador, including the landing of a boatload of military personnel from Nicaragua. Can you confirm this information? And what will be the Reagan administration's position in Central America? In other words, are we prepared to accept another Nicaragua in Salvador?

Haig: It's clear that there has been heavy Cuban involvement in Salvador, and we are uncovering increasing evidence of Nicaraguan involvement.

Q: You mean with all like-minded nations around the world?

Haig: That's right.

Q: If this is the overall rubric, what about some of the other problems that you face at the outset of your tenure?

Haig: One priority is to seek to strengthen and integrate more effectively the Atlantic community of nations so as to really concert our policies. We must go beyond traditional or routine consultation.

Q: At the speed of the slowest ship in the Atlantic convoy?

Haig: Of course not. That pace must be determined by an essential consensus, but not unanimity. We clearly have a continuing urgent problem to deal with the North-South issue in more realistic terms. This is far more complicated than the Atlantic community concep-

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ON PAGE D-20

NEW YORK TIMES
4 FEBRUARY 1981

U. S. Intelligence Units Criticized by a Top Aide

Special to The New York Times

WASHINGTON, Feb. 3 — Adm. Bobby Ray Inman, the director of the National Security Agency, who has been nominated to be Deputy Director of Central Intelligence, said today that intelligence agencies had underestimated the Soviet military threat.

He said during his confirmation hearing that the United States had "erred substantially more on the conservative side in assessing the Soviet threat."

Admiral Inman, whose nomination won unanimous endorsement in the Senate Intelligence Committee, said assertions that the military buildup had been exaggerated to justify United States budget increases were "flatly wrong."

He said intelligence agencies suffered from a shortage of staff, specifically a lack of trained linguists. The National Security Agency, which he headed, is charged with monitoring the communications of foreign countries.

He said the Central Intelligence Agency may have to "build bridges" to the academic world to create incentives for improved language training.

ARTICLE APPEARED
ON PAGE 3

THE WASHINGTON POST
4 February 1981

Inman Wins Quick Approval by Senate Panel for No. 2 Post at CIA

By Michael Getler
Washington Post Staff Writer

Navy Vice Adm. Bobby Ray Inman, the soft-spoken superstar of the U.S. intelligence community, won quick and unanimous approval from the Senate Select Intelligence Committee yesterday as President Reagan's choice to be deputy director of the CIA.

Earlier in the day, the Senate Armed Services Committee endorsed a presidential recommendation for a fourth star for the 49-year-old officer, which will place Inman among the youngest full admirals in Navy history.

Inman, with 28 years in the Navy, much of it as an intelligence officer, has won widespread acclaim within the government as the director of the supersecret National Security Agency (NSA), which he has headed since July 1977.

Inman wanted to stay at the NSA rather than move into the deputy's job at CIA, and he told the Intelligence committee yesterday that he was appearing before it as something of a "draftee." Committee Chairman Barry Goldwater (R-Ariz.) told Inman that he had urged CIA Director William J. Casey to go after him for the No. 2 job because, Goldwater said, he "didn't know a man in the business who was more highly regarded."

Sen. Jake Garn (R-Utah) said Inman was "the most direct and forthcoming witness" to come before the committee in recent years and praised the admiral for "never hedging his opinions or worrying about politics." Inman's directness and knowledge are the characteristics that have won him so much praise. The admiral tried to take it in stride yesterday, telling the panel members that "I hope we'll both feel at the end of two years that it was the right choice."

The NSA director presides over some of the nation's most sensitive communications monitoring and code-breaking equipment. But at the CIA the intelligence chores are even broader. Under questioning by the committee yesterday, Inman said he was worried most about the manpower problems in the intelligence community.

For a variety of reasons — some related to the costs of Vietnam and the expense of equipment — intelligence manpower levels, particularly the number of experienced analysts, have steadily eroded over the last eight years, Inman said, adding that he hopes for some "redress" despite the federal hiring freeze. He said it was vitally important to have more analysts who understand cultures, religions, politics and economics and who speak languages. There is simply no substitute for that in terms of making sense of the information gathered, he said.

Inman believes there is a "generation gap" in the intelligence community caused by the retirement of officials who joined in the post-World War II era. He said there was a need for keeping specialists in the same job without sacrificing their promotion prospects. The U.S. capability for understanding foreign languages and cultures "is poor and getting worse," he said, as there are fewer Americans who speak a second language at home.

Pointing out that there are many young people with the aptitude to learn languages, but that it takes years of training, Inman said one of his jobs will be to improve ties with the academic community. He suggested the intelligence community might have to find new ways to recruit and train language students, even if it requires sponsoring programs in universities.

Inman said current U.S. intelligence capabilities are "outstanding" when it came to counting things, such as enemy missiles, by technical means and "very impressive" in terms of providing warning time. But in assessing trends, U.S. agencies do less well. There are areas of the world where problems often develop rapidly and where there is scanty intelligence collection, he said.

Though Washington has a "fairly significant lead" over Moscow on the technical side of data collection, the Soviets apply about three times as much manpower to solving intelligence problems, Inman said. The admiral said the best U.S. intelligence capability is in the military field and that it comes from higher standards forged by competition. Inman said he would "urge strongly" against any move to consolidate intelligence analysis among the various agencies.

In response to a question, Inman said the suggestion, which occasionally surfaces in the press, that the U.S. intelligence community overestimates the Soviet threat to push for higher military budgets is "flatly wrong."

On "rare occasions," he said, intelligence assessments have overestimated Soviet strengths, but on many more occasions, he said, the U.S. estimates have proved to be too conservative.

ARTICLE APPEARED
ON PAGE A19

THE WASHINGTON POST
5 February 1981

Morton H. Halperin

How Reagan Can Improve the Intelligence Product

At his confirmation hearing, William Casey, the new director of central intelligence, stated that his primary objective as head of the CIA would be to improve the quality of the intelligence product.

There are two possible approaches to that task. Which one Casey and the Reagan administration choose will determine whether the intelligence community continues to be mired in controversy.

One approach is to look backward and seek to undo the modest reforms relating to surveillance of Americans and Freedom of Information under the slogan of "unleashing the CIA." The alternative is to move the debate to a different level by focusing on proposals directly aimed at improving the intelligence product.

The former approach will do little to affect the quality of the intelligence that the president needs and much to continue the debate that has contributed to the declining morale of the intelligence agencies.

Despite all the rhetoric about shackling the intelligence agencies, they are in fact under very few restraints: most of the limitations relate only to the surveillance of American citizens. The most restrictive limitations are not in executive orders or legislation but in agency implementing directives drafted by the agencies and approved by the attorney general. In urging the new administration to leave these directives in place, House Intelligence Committee Chairman Edward Boland (D-Mass.) noted that the current system has the support of the head of every intelligence agency.

Moreover, all of the post-Watergate restrictions taken together have only a very small impact, if any, on the gathering of intelligence about the Soviet Union and other high priority targets; removing all of them will not improve the product in any significant way. Indeed, permitting the intelligence agencies to spy again on dissenting Americans could lead to a focus, as in the past, away from real counterintelligence efforts aimed at countering the KGB to the far easier business of surveilling lawful political activity.

On the other hand, if the new administration decides to leave the rights-of-Americans issues where it found them, neither seeking to undo the existing restrictions nor moving toward a legislated charter, it will, one suspects, find those who have been pressing for more reform willing to give the present system time to prove its worth.

This will leave the new team free to concentrate on the vital task of improving the intelligence product. Here they have an agenda, laid out among others by Richard Allen, President Reagan's national security adviser, which in my view holds the promise of accomplishing the objective in ways fully consistent with the rights of Americans.

The key elements of this reform effort are: 1) the separation of the clandestine service for covert collection and operations from the rest of the CIA, which would become an analysis agency, 2) the encouragement of multiple centers of analysis and of competing estimates rather than joint intelligence community products and 3) the creation of a new intelligence coordinating position in the White House.

Each of these proposals would meet stiff resistance from some parts of the intelligence community; and Casey expressed general opposition to reorganization at his confirmation hearings, suggesting that there have been too many reorganizations. However, the fact is that these fundamental restructuring proposals have yet to be seriously considered. Taken together, they could significantly improve the quality of intelligence reaching the president.

The splitting of the CIA would permit the appointment of an analyst to the post of head of the CIA for the first time. (I am assuming that Casey would assume the White House intelligence role if these schemes were adopted.) It would permit that agency to concentrate on producing unbiased intelligence without responsibility for any collection programs or operations. One would hope that a tradition would develop of having the agency headed by a career official and a distinguished scholar from outside the government. The new agency could do much of its work without excessive secrecy and should be able to develop far more extensive and profitable relations with the research and academic communities.

This new intelligence agency should not devote substantial time to producing joint intelligence products. If such efforts are not proscribed, they should be limited to situations in which an agreed estimate is needed for planning purposes. Even then, every effort should be made to prevent the hiding of profound differences in carefully chosen, ambiguous language. Most of the product of the agency should be its own and should be signed by real people, not offices. Moreover, every other agency should be encouraged to develop and expand its own analytic capability and produce competing reports challenging the conclusions of the new analysis agency. The most compelling analysis should triumph, not the least common denominator of agreed estimates.

None of this will ensure good intelligence, let alone good policy. But it would start the intelligence community back on the road toward doing the job it was set up to do. It would also avoid the acrimonious public debate that can only prolong the period of decline in the quality of the intelligence product.

Halperin, a former Defense and White House aide, is director of the Center for National Security Studies.

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ARTICLE APPEARED ON PAGE 30

NEW YORK TIMES MAGAZINE
1 FEBRUARY 1981

THE RUSSIA REAC

By Harrison E. Salisbury

As Ronald Reagan and his advisers sit down in the Oval Office to map American strategy for the 1980's, the Russian actuality that confronts them may be less formidable than what some of them may have perceived. But this is not necessarily a cause for rejoicing. Greater dangers may arise from debilitating Soviet weaknesses than from supposed Soviet military might.

Probably not since World War II, when the Soviet Union struggled to evict its German invaders, has the long view from the Kremlin windows been so bleak. The solutions to crushing problems at home and abroad seem beyond the grasp of Soviet planners.

The real world that Leonid I. Brezhnev and his elderly Politburo comrades acknowledge in the privacy of their meeting rooms contains few of the superlatives that dominate Pravda's political verbiage.

It is, in fact, becoming increasingly evident that the principal danger to world peace is not posed by the nefarious schemes of Communist plotters set on fomenting revolutions and overwhelming the West with military might, but by the Soviet Union's reaction to failures and frustrations that stem from incurable flaws within its own creaky system.

This assessment is, obviously, hypothesis. No one, perhaps not even any of the solemn old men who sit around the long table in the Kremlin palace, has all the facts. And certainly not this writer. But it is not difficult to reconstruct a semblance of the *tour d'horizon* on which Mr. Brezhnev must be basing his calculations. The closer President Reagan and his advisers can replicate the view from the Kremlin windows, the more effectively will the new administration be able to construct an American policy to deal with any Soviet threat.

There can be no question that the reports Mr. Brezhnev receives from his aides depict an international landscape replete with hostile, intractable and dangerous elements. There is, of portantly, a profound crisis in the chronically unsettled Soviet barrier zone—this time in Poland, an area that poses unusual historic hazards for Russia. And there is the 4,600-mile frontier with China, guarded by one million Soviet troops, about one quarter of the Red Army, and backed by countless nuclear weapons targeted against China's principal cities. For 10 years, this enormous Soviet force has been positioned against a perceived threat of war with China. There is nothing at present to suggest that this apprehension of impending danger will disappear in the next decade.

The view westward is no more reassuring. Now that détente has gone down the drain, the United States and its European allies (plus Japan) loom threateningly on the Soviet horizon as an entity more suspicious of Moscow today than at any time since the height of the cold war. In Soviet eyes, the United States and its allies are perceived as a capitalist monolith of rampant military and economic strength, a colossus that grows more and more formidable in violation of every precept of Marx and Lenin.

When Mr. Brezhnev casts his attention inward, on his own country, he confronts evidence even more disturbing. Until 10 years ago, the Soviet gross national product rose at a buoyant rate of 8 percent to 10 percent annually. Since 1970, the rate of growth has dwindled. The G.N.P. for 1980, United States experts estimate, increased by barely 1 percent. Not since Stalin launched his first five-year plan more than 50 years ago has so sluggish a peacetime growth been recorded. Soviet agriculture, in particular, is a catastrophe: Annual shortfalls of millions of tons of grain have, time and again, put the Soviet Union in the humiliating position of being dependent on hostile powers, including the United States, for help in feeding its 260 million citizens.

The history of recent years, a history of decelerating Soviet production relative to American growth, contains no evidence that Moscow can quickly reverse its economic stagnation. The latest C.I.A. statistics indicate that the United States, despite its own economic woes, now outproduces the sclerotic Soviet Union by 40 percent. Put another way, the United States is now capable, some experts contend, of spending $10 for every $6 allotted by Moscow in the accelerating arms race without crip-

ment of Soviet military capability, concluded that the Soviet Union was engaging in a massive arms buildup — although many Western analysts now believe this was never actually achieved. Earlier, an in-house team concluded that the C.I.A. had been underestimating what the Soviet Union was spending on defense. Its calculations indicated that the Soviet Union's defense spending was actually in a range of 11 percent to 13 percent of its G.N.P., not the 6 percent to 8 percent previously estimated. The 1976 C.I.A. figures, which Team B used in reaching its conclusion about the Soviet defense buildup, were based on a reassessment of the ruble's real purchasing power in the Soviet Union. These currency adjustments, however, do not affect the amount of military hardware produced by the Soviet Union.

That same year, other military experts estimated that by 1980 the Soviet Union's defense spending would rise to an annual rate of 18 percent of its G.N.P. By way of contrast, the United States has recently been spending about 6 percent of its G.N.P. on defense. President Carter's 1982 budget projected a defense increase of 5.3 percent (about 5.6 percent of the nation's G.N.P.) for the next fiscal year.

Current C.I.A. estimates of Soviet defense spending calculate the increase annually during the late 1960's and 70's at about 3 percent to 4 percent, roughly equal to the growth of the Soviet G.N.P. in recent years. What now interests Western defense experts is the future relationship between Moscow's arms spending and its sluggish G.N.P.

□

Is the bad news for Leonid Brezhnev good news for the new President of United States? It *sounds* like good news. It *sounds* very optimistic. But there is a paradox here. Weakness, particularly internal weakness, in a world power can sometimes be more dangerous than strength. A secure nation negotiates with confidence. A na-

ARMED FORCES JOURNAL INTERNATIONAL
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The Arsenal of Inferiority

Halting the De-Industrialization of American Defense

by Bridget Gail

AMERICANS HAVE GRADUALLY BECOME USED TO THE FACT that the US is falling behind the Soviet Union in virtually every basic measure of military capability. No one who is interested in defense issues can escape the constant stream of reports regarding US inferiority in readiness, in strategic nuclear forces, and in the various measures of the conventional balance. It has imperceptibly become an accepted fact of life that the US is "second best," and that the main purpose of strategic studies has become to either diagnose the rate of drift towards inferiority, or to find new and imaginative reasons why a Soviet lead in virtually every aspect of the military balance really does not affect US security.

Americans have become equally used to the fact that US military forces have virtually no hope of avoiding a steady decline in their manpower quality and numbers. There is probably not a single major newspaper in the United States that has not run a series of articles on the shortfalls in the All-Volunteer Force structure, and the resulting impact on military readiness and capability. Like inferiority, the collapse of US military manpower has slowly become something Americans take for granted.

Unfortunately, there is another area of inferiority which most Americans are not aware of. The US has not only gradually lapsed into a current state of inferiority, but has also allowed the Soviet Union to build up an overwhelming lead in military procurement. For all intents and purposes, the US has lost its ability to act as the arsenal of democracy.

The Gap in Procurement Expenditures

THE OVERALL GAP between US and Soviet defense expenditures is a familiar aspect of the drift toward American inferiority. The curves shown on the first graph in Table One are now published in annual updates by both the CIA and Department of Defense, and few can ignore the fact that—regardless of all the Presidential and Congressional rhetoric about increasing the defense budget over the last six years—the US has done nothing to bring its level of effort closer to that of the Soviet Union.

Comparisons of total defense expenditures, however, do not really provide a picture of how rapidly forces are improving, or of the size of the defense procurement and production base. It also is subject to endless debate. The Soviets do not publish meaningful data on defense expenditures, and this means that the West is forced to guess. These guesses involve a wide range of "soft" areas like manning levels, pay, training, maintenance, infrastructure, logistics, etc. which cannot be confirmed from intelligence sources or be validated by such national intelligence means as satellite photography. As a result, it is not possible to refute experts, like William T. Lee, who argue that the CIA estimates of Soviet expenditures are far too low, or those critics—like Congressman Les Aspin—who feel that the CIA is exaggerating the threat and cannot back up its calculations.

The CIA has, however, published other comparisons of US and Soviet defense efforts which provide a much more dramatic picture of a US drift towards inferiority, and which are better subject to validation using US national intelligence means. These comparisons are shown in the remaining sections of Table One, and they effort, or the rate at which it is modernizing its forces. The expenditures shown in Table One include procurement costs for:

- National security programs that in the United States would be funded by the Department of Defense.
- The defense-related activities of the US Coast Guard and the Soviet Border Guards.

They exclude such "soft" or uncertain activities as:

- Military retirement pay, which reflects the cost of past, rather than current activities.
- Space activities that in the United States would be funded by NASA.
- Civil defense and military assistance programs.
- Soviet internal security troops (who perform essentially internal police functions).

The CIA Method of Estimating Procurement Costs

The CIA analysis of the procurement costs for these forces is carried out as follows. It begins with estimates of the annual production of every weapon system in the Soviet Union. The CIA then develops estimates of the cost to produce these items in the United States. Its dollar concept is the cost of producing the Soviet design in the US using base-year US production technology and practices, input prices, and profit margins. Its ability to reflect the Soviet design depends to a large degree upon the intelligence communities' knowledge of the physical and performance characteristics of the individual weapons. When the CIA has good data, its estimates capture the "intensity or complexity" of the Soviet weapon. Most of the more costly Soviet weapon systems fall in this category.

plete, it falls back on US analog results by extrapolating from its general understanding of Soviet design practices. Some weapons—usually lower cost items—are costed on the basis of the nearest equivalent US weapons.

This methodology scarcely eliminates all uncertainty, but it is far more accurate than attempts to estimate the dollar cost of other areas of Soviet defense expenditure, and its results can be validated over time by sources ranging from satellite photographs of Soviet facilities and production lines, to examination of actual Soviet equipment.

Total US and Soviet Procurement Costs versus Total Defense Expenditures

The overall trends for total procurement expenditures in Table One closely parallel those for total defense activities. The estimated dollar costs of Soviet procurements show a steady upward trend in the 1970s, averaging 3 to 4% real growth per year. However, a comparison of US and Soviet procurement activities shows an even larger disparity than that between total defense activities. The CIA's estimated dollar costs of Soviet procurements of weapons and equipment in the 1970s exceed US procurement outlays by about \$120-billion, or 50%.

To put these trends in perspective, US procurement outlays fell by more than 40% between 1970 and 1976, but have been growing for the past three years. The estimated dollar costs of Soviet procurements exceed US procurement outlays by 75% or more in each of the last five years. During this period, both the US and USSR used most of their procurements to replace and modernize existing forces. The US has not increased its numbers of forces in any major areas since the Vietnam War. The Soviets increased their numbers of strategic missiles and tactical aircraft substantially through the mid-seventies, but their efforts have since been primarily in

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LOS ANGELES TIMES
29 JANUARY 1981

Energy and Environment

State Urged to Plan for Fuel Shortage

There is a "virtual certainty" that up to 4 million barrels of oil a day will be lost within the next five years and the resulting shortage will affect California, according to energy experts who met in Sacramento. To cope with the possible fuel shortage, the experts recommended that the state should increase refinery handling of heavy, high-sulfur crude oil and develop conservation and contingency plans to best allocate the fuel, according to the California Energy Commission. The degree and effects of a fuel crunch were forecast by experts from Harvard, Stanford, MIT, the CIA and Rand Corp., plus representatives from the oil companies and OPEC.

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BALTIMORE SUN
20 JANUARY 1981

Brown says allies have shirked burden, urges agreement to control nuclear arms

By Charles W. Corddry
Washington Bureau of The Sun

Washington—Retiring Defense Secretary Harold Brown, citing relentless Soviet military expansion, yesterday excoriated America's European and Japanese allies for failure to take on a greater share of the defense burden.

In his final report to Congress on U.S. defense posture, Mr. Brown combined pleas for greater overall military preparedness with renewed urging for strategic arms limitation agreements to head off a deadly nuclear weapons race with the Soviet Union.

The physicist and nuclear arms expert who has run the Pentagon for the past four years underlined trends that could make the world of the 1980s "more dangerous than any we have yet known" if the United States and its allies fail to maintain adequate military strength.

These trends, developing for two decades, are the growth of Soviet power, the industrialized nations' dependence on Persian Gulf oil and "growing instability in the developing countries" that hold many vital resources.

Mr. Brown sought to drive home the necessity for nuclear arms control and for nuclear parity with Russia by citing the "unimaginable destructive potential" of such weapons.

The United States, he reported, has 9,000 nuclear bombs and missile warheads, and the Soviet Union has about 7,000.

In a thermonuclear war, he said, American fatalities would range from a low of 20 million to 55 million up to a high of 155 million to 165 million. Soviet fatalities would range from 23 million to 34 million up to a high of 64 million to 100 million.

There is no higher national priority therefore than deterring nuclear war—"making that unlikely possibility even more remote"—he said.

Mr. Brown, evidently frustrated by four years of trying to get European and Japanese allies to do more about defense, criticized their actions in uncharacteristically strong terms.

The United States and Western Europe still are not fully facing up to the Warsaw Pact buildup, he said. Even with the new threats to the oil lifelines of America, Europe and Japan, he said, "many of our allies are either untroubled by the threats or unwilling to assume their share of the common defense burden."

Now spending more on defense, the American people and their congressional representatives "will not long tolerate" an assumption by allies that their security is more important and thus more costly to the United States than to themselves, he said.

Mr. Brown's analysis of the world situation and the perils of the 1980s was essentially consistent with that of the incoming secretary of state, Alexander M. Haig, Jr., who voiced quite similar worries when he was commander of allied forces in Europe.

Mr. Haig, just taking up his diplomatic duties, was less critical of the allies in public confirmation hearings, however, than the retiring defense chief felt a need to be. The secretary of state-designate nonetheless left no doubt of his conviction that "we must all do more."

Mr. Brown, who has been both arms builder and arms controller in his nearly three decades of government service, said retention of the nuclear arms limits in the aborted SALT II treaty was "of major importance to our security interests." The strategic arms limitation treaty was set aside when the Soviet Union invaded Afghanistan and the Reagan administration hopes to negotiate a version that reduces arms ceilings.

However the impasse is resolved, Mr. Brown said, sustaining the process of nuclear arms control will be one of the "most critical national security challenges of the 1980s."

In the Reagan campaign for the presidency, Republicans often claimed the Soviet Union was spending to its limit on nuclear arms and therefore could not effectively respond to a further American buildup.

Mr. Brown, drawing heavily on Central Intelligence Agency assessments, scoffed at such an idea.

There is no evidence, he said, to support a contention that the Soviet Union cannot bear the additional defense spending which "a renewed, intensified arms competition would necessitate."

He estimated that Russia had spent $270 billion more than the United States since 1968 on research, development and purchase of arms and related military construction programs.

Mr. Brown's report to Congress ran to 350 pages. In it, he spelled out in detail the strategy, weapons programs and manpower goals that underlie the retiring administration's request for appropriation of $196.4 billion for defense in fiscal 1982.

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CHRISTIAN SCIENCE MONITOR
14 January 1981

Four ways to improve America's foreign intelligence

By Douglas L. Wheeler

As the incoming Reagan administration plans for the future, there should be a hard look at the current situation of America's foreign intelligence analysis. Thinking about needed changes in this sector is far too vital a matter to be left solely to the deliberations of the intelligence community as it now works. Enduring problems and recent events reflect weaknesses which need to be addressed. Earlier intelligence failures, when revealing analysis was available, occurred in Vietnam in 1968, the Middle East in 1973, and Cyprus, Greece, and Portugal in 1974. These have been paralleled in more recent failures in Iran, Afghanistan, Poland, and Central America.

Foreign intelligence analysis sectors have suffered from inherited weaknesses and more recent policies which have allowed frequent turnover of personnel who had become experts or authorities in some areas only to be transferred into new areas where their expertise means less. There have been failures to communicate between analysts and policymakers who tend to be isolated by too many tiers of bureaucracy. And the knowledge available in communities of area study scholars was simply not picked up by foreign intelligence analysts and transmitted to the decisionmakers.

In some cases, expertise found in business and scholarly groups both here and abroad was ignored as analysts fashioned naive and unsophisticated reports which would please Washington bureaucrats. To cite one illustration of how the International Communications Agency can pursue fruitless projects based in part on poor foreign intelligence analysis, this writer was approached to write an article attacking a host country's tendency to move closer to the third world.

In short, a great deal of money is spent on foreign intelligence analysis, but there is room for real improvement. At least four ways could provide a foundation to begin:

• In order to encourage continuity of expertise among foreign intelligence analysts, policy should allow terms of service longer than two or three years. An "expert" on Iran, let us say, is only beginning to learn the territory after two years. Someone with five years' experience could be more valuable and have a sense of what I term "historical indicators" in current affairs. Policy concerning foreign intelligence expertise should nourish such expertise as national assets by means of improving area studies training before going to posts, retraining, and renewal of expertise by means of reassignments to areas where experience has already been carefully marshaled.

• Foreign intelligence analysts could benefit from greater contact and liaison in scholarly networks and associations with residents, businessmen, and others who have essential background in the areas under study. Institutions which train or retrain analysts could design courses of study which reflect a greater awareness of such expertise which too often is ignored or under-used.

• Centralize — but creatively — the much dispersed and disparate foreign intelligence analysis found in dozens of agencies. To do this there should be established a new coordinating area study institute or structure which could address the cited problems of continuity, renewal, and coordination of foreign area expertise.

• In order to encourage more young people in secondary and higher education to consider foreign intelligence analysis as an important and even noble profession, there needs to be reinforcement of lagging foreign language, foreign exchange, and foreign area study programs. There is a mighty need now to put more resources into the magnificent Fulbright exchange programs. The extent to which scores of other countries now realize the benefits of the Fulbright programs can be seen by the funds these countries now contribute — an unprecedented situation. Incentives furnished by both private and government agencies could encourage greater student interest in foreign area and language study, a vital need for the 1980s.

Here would be a start for improving foreign intelligence analysis as a crucial next assignment in our increasingly interdependent world.

Douglas L. Wheeler, professor of modern history at the University of New Hampshire, was a Fulbright exchange student in Portugal, 1961-62.

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TIME
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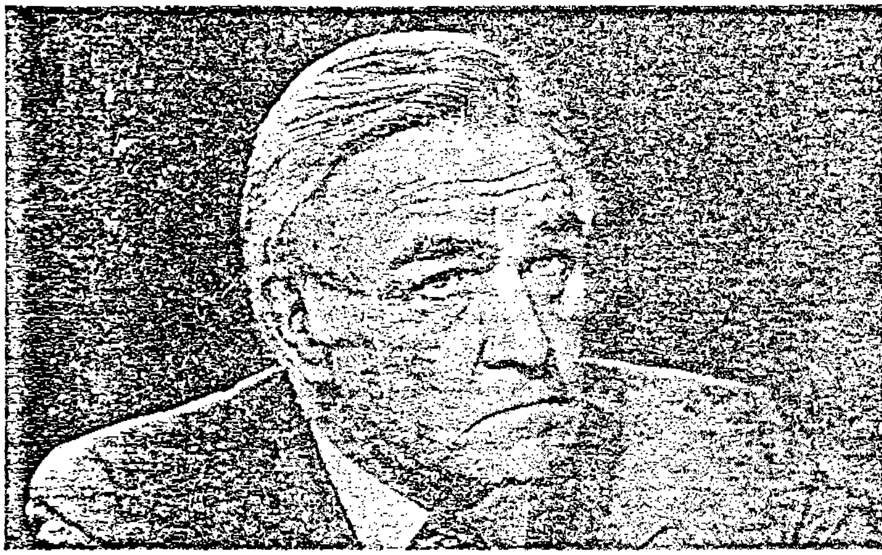

CIA Director Stansfield Turner: under him, the agency's morale plummeted

New Day for the CIA?

The demoralized agency is headed for a major overhaul

"It's a disaster out there." "The plant has depreciated enormously." "There are shortages just about every place you can think of." Comments like these from members of the intelligence community suggest that no other Government agency is in such urgent need of rehabilitation as the CIA. The agency has even fallen behind in its technology: top officials say that it does not have enough spy satellites. Its analysis has often proved faulty, most notably in Iran. Once grandiose covert operations are now run on a shoestring. Counterintelligence has been reduced to the point where many U.S. experts fear it is not adequate to cope with the CIA's principal adversary, the KGB, which is more active than ever.

Both the American public and Congress seem increasingly in the mood to back a substantial overhaul of the agency. There is a widespread perception that despite its lamentable excesses in the past, the CIA cannot be permitted to languish, that its mission is vital to U.S. security. Says Barry Goldwater, the new chairman of the Senate Intelligence Committee: "I think the CIA is going to find a very cordial reception here. It's difficult to discover any opposition to intelligence. We've learned a lot."

This attitude coincides with the new President's apparent determination to restore the muscle of the CIA and make it an important element of his Administration's global strategy. Reagan indicated his concern with the appointment of William Casey, his campaign manager and close adviser, as CIA director. Casey, a former chairman of the Securities and Exchange Commission, once served as a top-ranking officer [illegible] predecessor, the OSS of World War II. [illegible] sociated with intelligence activities, but veterans at the agency look forward to working for him because of his reputation as a forceful manager who is open to ideas and surrounds himself with top-flight aides.

Casey's first task will be to strengthen intelligence analysis, the agency's basic responsibility. At present there is no lack of qualified recruits. Applications for CIA jobs have reached record levels; in fiscal 1980, 9,200 men and women asked for posts, for which 1,458 were hired. In addition to new hands, Casey is expected to bring back some of the talented oldtimers who were ousted in successive housecleanings during the past few years. The current director, Admiral Stansfield Turner, downgraded the importance of human beings in intelligence gathering on the scene. Says a veteran intelligence officer: "His big mistake was becoming intoxicated with our technical proficiency. It is a great instrument, but only an instrument." The agency has been particularly short of analysts in the world's crisis areas: the Persian Gulf, Central America, Africa.

Another top priority for the new director is improving counterintelligence. Reagan's CIA transition team solicited advice on the subject from the agency's longtime counterintelligence master, James Angleton, who was fired in 1974 by Director William Colby. It is generally agreed that U.S. counterintelligence efforts have fallen off sharply in the six years that followed, enabling Soviet agents to operate more freely in the U.S.

Along with personnel and equipment, the CIA needs a boost in morale. In an [illegible] ed CIA officials much like swabbies on a [illegible] He eliminated 820 posts in [illegible] damaged relations with foreign intelligence services. "How the hell can you make an attractive offer to a guy if you can't guarantee you can protect him?" asks John Maury, the CIA's former chief of Soviet operations. "The real problem is to get high-level penetrations of foreign power centers. Oleg Penkovsky (a top-ranking Moscow defector who supplied the U.S. with information on Soviet weaponry in the early 1960s) is worth a hundred Ph.D.s." But Penkovskys are not going to approach a porous CIA.

Without returning to the freebooting days of old, the CIA needs to recover its self-confidence and sense of purpose. The prospects for that look better than they have in some years. —*By Edwin Warner. Reported by Don Sider/Washington*

William Casey, Reagan's choice as director
Time to recede into the shadows?