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IAC-D-57/91  
4 February 1958

Post-Mortem on NIE 11-4-57:

Main Trends in Soviet Capabilities and Policies, 1957-1962

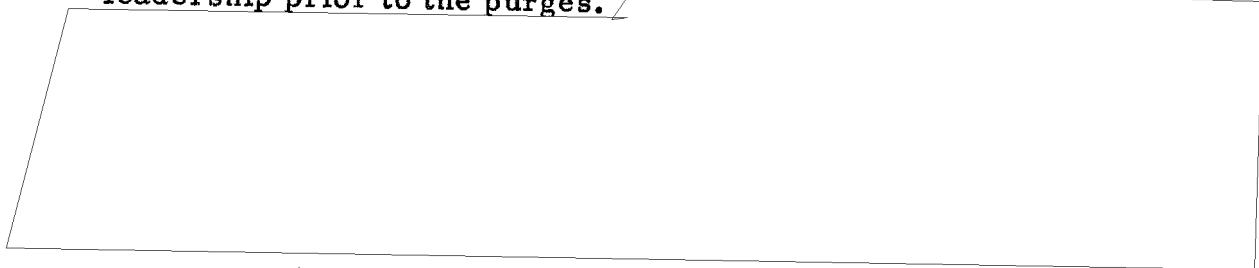
dated 26 November 1957

1. In NIE 11-4-57 as in its predecessor, NIE 11-4-56, most of the major issues lay in the military field. The chief bone of contention was the current strength and future development of the Soviet heavy bomber and tanker force, together with the degree to which its size and composition would be influenced by the advent of other advanced weapon systems. Some differences of view were also encountered on political and economic matters.

I. Findings

2. General. Our intelligence on the USSR continues to improve gradually. The quantity of available overt information is increasing as the Soviet leaders adopt a more open attitude towards their own people on various topics, as Western contacts with both leaders and populace increase, as the scope of statistical secrecy is narrowed, and as the USSR achieves successes which it considers worth bragging about. It continues to be difficult to keep abreast of the relatively rapid pace of change, but we have at least become accustomed to the fact of rapid change and are allowing for it in our analyses. Despite all this, however, the problem of intelligence on the USSR continues to be extremely difficult because many of the normal sources of information are severely restricted by continuing strict security controls.

3. Political intelligence. Official and unofficial information relating to the June and October purges has improved our knowledge of various groupings and attitudes which existed within the top Soviet leadership prior to the purges.



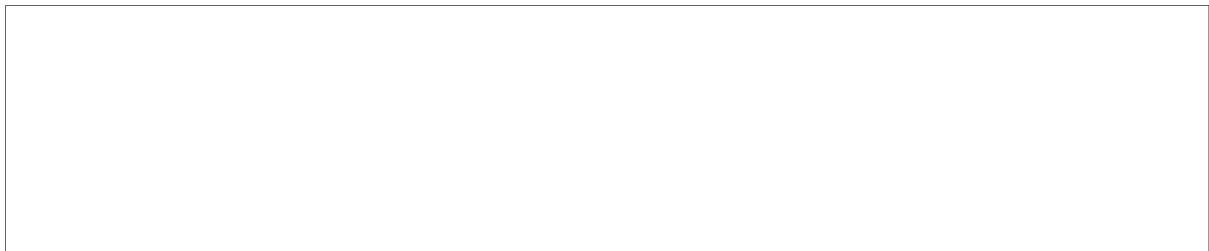
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5. Our estimates of Soviet foreign policy intentions continue to depend largely on deductions from the general Soviet posture. It is difficult to anticipate particular maneuvers of Soviet policy without greater knowledge of Soviet plans, and it perhaps could not be done not even then because of the flexibility of current Soviet policy. Information on Soviet relations with the European Satellites is more plentiful, although frequently contradictory.

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In contrast, data on Sino-Soviet relations remain scarce, and it is possible that there may be fairly significant maneuverings or frictions within the framework of Sino-Soviet unity of which we know nothing.

6. Economic intelligence. While certain progress has been made in the study of Soviet military expenditures, we could still use much more information on the prices the military establishment pays for goods and on detailed production rates, particularly for military end items. Furthermore, a re-examination of the concepts and techniques employed in the cost analysis is desirable. The scope of Soviet budgetary accounts and the reconciliation of estimated military outlays with these and other Soviet material accounts also require further information and analysis. In assessing the economic impact of Soviet defense expenditures, we tend to use primarily a highly aggregative measure--the ratio of total defense expenditures to gross national product; this should be supplemented by other techniques which might disclose important specific impacts. Also, further effort should be made to refine our dollar comparison of Soviet and US defense outlays.

7. While the new industrial organization was introduced too recently to be evaluated fully in this estimate, its economic effects and possible political consequences will be a major intelligence target during the coming year.

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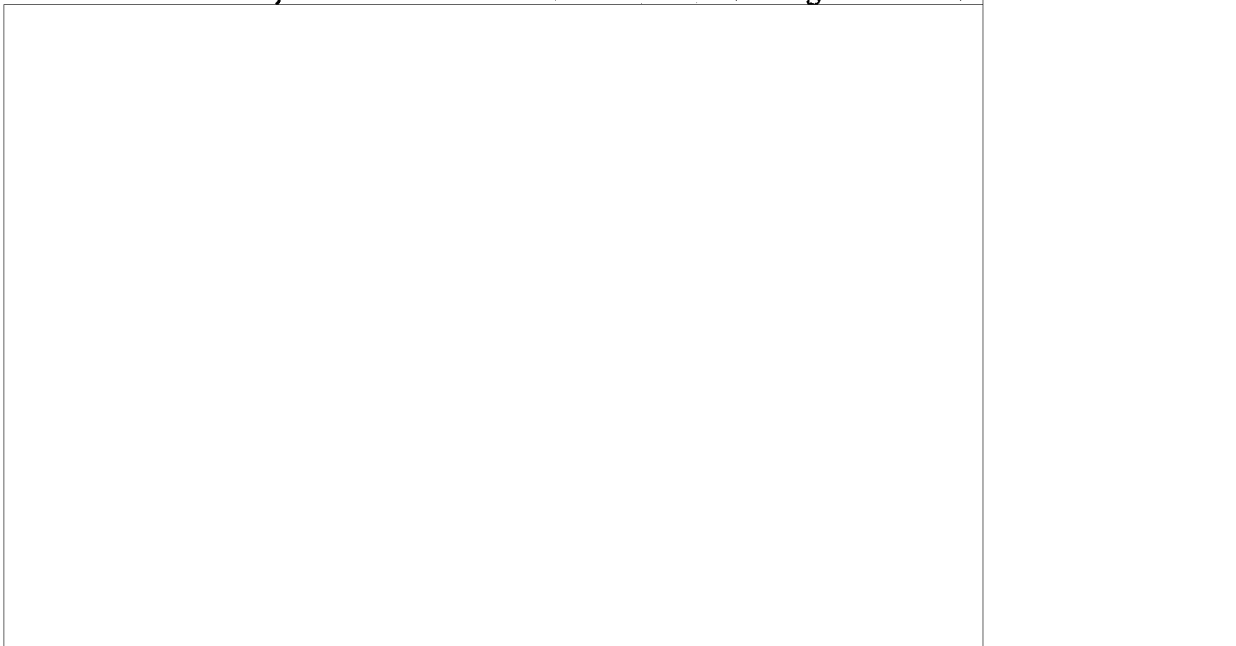


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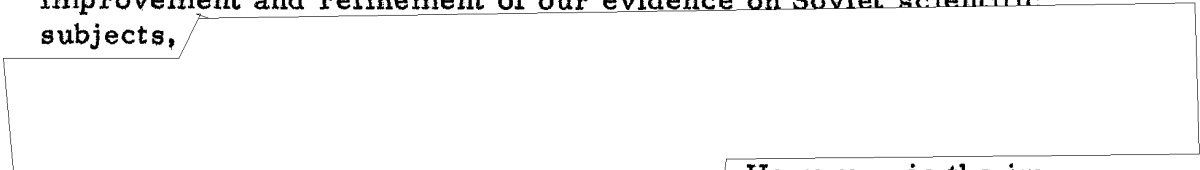
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8. Military intelligence. Though our data on the Soviet military establishment remain inadequate, intelligence on current military strengths and capabilities has improved somewhat during the past year, both through the exploitation of new sources and the cumulative analysis of information from continuing sources.



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9. Scientific intelligence. There continues to be a general improvement and refinement of our evidence on Soviet scientific subjects,



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However, in the important fields of nuclear weapons and ballistic missiles it is somewhat better.

II. Action

10. The IAC agencies are requested to:

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a. Take appropriate action to overcome the intelligence deficiencies discussed above.

b. Make a special effort to improve our intelligence on Soviet research and development, production, and deployment of advanced weapons systems.

c. Improve and refine our analysis of the cost and economic impact of the Soviet military establishment, and of comparative US-Soviet defense outlays, in anticipation of NIE 11-4-58.

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