

Chairman Rowen, I want to thank you & your colleagues for your testimony & appearance this morning. I have some written questions I would like you to answer for the record. The committee subcommittee is adjourned.

Allocation of Resources in the Soviet Union and China

* 1. Mr. Rowen, there are two theories about Yuri Andropov I would like to get your opinion on. The first has it that Mr. Andropov, as previous head of the KGB, has a better grasp of Soviet economic data, Soviet societal problems and US strengths and weaknesses than any other Soviet leader. Being exposed to the West over the years has moderated his viewpoint it is alleged under this theory. Some go as far as to say that he is a closet liberal.

The second theory is that Mr. Andropov has manipulated the Western press and opinion leaders by spreading theory ^{our} and really is no more than an extremely ruthless KGB chieftain who put down the Hungarian rebellion in 1956 and has imprisoned tens of thousands of dissidents.

What is your assessment of both theories?

2. Does Mr. Andropov have the experience needed in the fields of agriculture and industrial production necessary to bring around the Soviet economy?

3. How strong is his intention to crack down on corruption in Soviet society and was he effective in doing this when leading the KGB.

4. US farmers have been disappointed in the limited grain purchases by the USSR. Is this a deliberate policy of the USSR--to refrain from more US grain purchases and to become less dependent on the US for grain supplies?

* 5. Is there any evidence of Mr. Andropov's ties to the Soviet military that would suggest that he has ever taken a questioning role about defense spending vs economic development?

* 6. What is the war in Afghanistan costing the USSR ^(economy) annually in dollars or rubles? ~~How many Soviet soldiers have lost their lives there? or been wounded?~~

7. To what degree are the Soviets inhibiting Western European exploitation of natural gas reserves--particularly in Norway and Holland?

8. Have Western embargoes on high technology had a measurable impact on the Soviet economy--and if so in what ways?

9. Are Western efforts to restrict the flow of high technology to the USSR effective?

10. Would access to Western modern drilling technology for gas and oil greatly enhance Soviet production levels.

11. Is there any evidence that Soviet oil and gas production limitations have ⁱⁿ ~~re~~ ^{re} ~~forced~~ their interest ⁱⁿ the Middle East as an economic objective of Soviet foreign policy.

12. Since last years testimony what can you tell us about the changes in quantity and quality of Soviet consumer products?

13. Given the problem the USSR has with its emerging minority populations, can you identify any specific economic planning designed to meet these problems such as:

- a) location of defense facilities
- b) locating factories for unemployment purposes
- c) stressing non defense industries in areas where there might be local unrest or large non Russian populations.