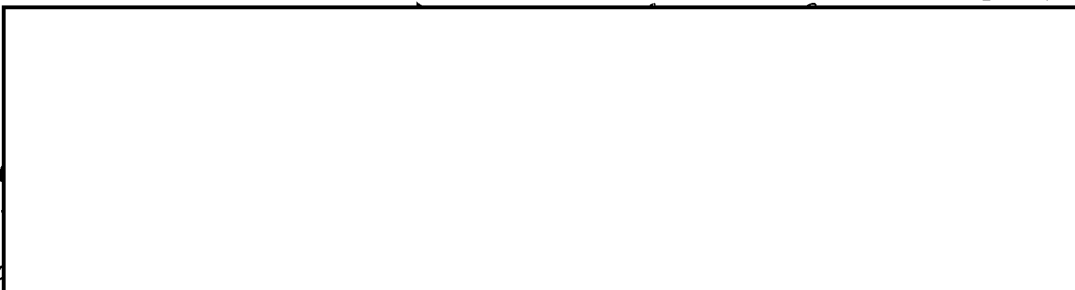


Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

You show a parallel in the economic growth slowdown of the USSR and the OECD countries during the 1970's. Was this a coincidence or were there similar factors at play?



1975

ILLE

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

I want to underline a point you make in your statement: Is the Soviet economy in or about to enter a state of crisis? Or, is it so weak and vulnerable that it could become unstable or collapse in the near future?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Much has been said about the fact that Soviet defense spending takes up 12-14 percent of their GNP, an enormous burden compared to our own. But that approach to estimating the defense burden assumes there are opportunity costs to defense allocations and that defense activities can be compared with the costs of equivalent activities in other sectors. How significant is that way of estimating the defense burden in a system that does not employ market prices?

1968-1970

ILLE

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Doesn't the fact that military conscription is used as a kind of national education and training program, especially for young men from rural areas, and that troops and equipment are used in construction, harvests, and elsewhere in the civilian economy add to the difficulty of understanding the defense burden?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

What evidence is there of how the Soviet leadership and the central planners view the military burden, whether they believe it is growing, how they measure it, and the effects it is having on the civilian economy?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

The point you make that the Soviets are basically self-sufficient with respect to food is worth emphasizing because we hear the statement made so often that the Soviets can't feed their own people. Discuss briefly their food self-sufficiency in light of the fact that they import so much grain.

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

I understand that Soviet foreign grain purchases have lagged behind our expectations. What is your estimate of their import requirements, how much have they purchased so far and from whom, and how do you explain the fact that so far they have bought so little from us and from others?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

You summarized the growth of Soviet strategic and conventional forces overturning the former U.S. numerical superiority in intercontinental nuclear delivery weapons and reducing the credibility of NATO's forces. Do you conclude that the Soviets now have superiority over the United States in strategic forces and over NATO in conventional forces?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

What is the likelihood that the Soviets will be able to maintain modest growth in oil production and oil exports to the West through 1985?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

TBL C US
Will you also ~~discuss~~ the results of the recent
talk
~~discussion~~ with our allies about credit terms to be extended
to the Soviets, the effects of the U.S. decision to lift the
Siberian gas pipeline equipment restrictions, and whether the
Soviet leadership views this episode and the controversy that
still exists in the West as a victory for them?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

How do you assess the possibility that the Soviets might be capable of increasing their exports of non-fuel minerals, such as manganese, nickel, and chrome, with which they are richly endowed, in order to increase their hard currency earnings so as to be able to purchase more Western equipment or control their trade balance?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

A study by the Commerce Department for the Joint Economic Committee earlier this year projects a large Soviet trade deficit with the West by 1985. Is it your assessment that a large deficit is likely, or might they take actions as they did this year to avoid it?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Do you believe Andropov might favor Hungarian-type decentralization of the farm sector and will you discuss how such a reform might work and how long it would take to be implemented?

Will you provide for the record a discussion of Andropov's involvement in Hungary, his role with respect to the economic reforms there, and English translations of any statements he may have made about the Hungarian reforms and about the subject of economic reform in the USSR?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

The Soviets are experiencing a slowdown in economic growth as is virtually all of the industrialized West and Japan. Yet, the Soviet economy is often described as in a state of crisis while we view ourselves as temporarily in the down side of the business cycle. What do you believe is the fundamental difference between the Soviet economic slowdown and what is happening in the West, and are the slowdowns in our two camps related in any way?

ILLE

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

Now that Brezhnev has been replaced, ~~I wonder if you can~~
~~discuss~~ what changes in domestic and foreign economic policies or
economic priorities ^{*✓*} Andropov ~~is~~ likely to initiate based on state-
ments he has made thus far and what is known about him?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7

You correctly describe the slow growth of the labor force as a weakness. But isn't the other side of the coin that slow population growth means fewer mouths to feed and reduced demands for energy, consumer durables, and the like?

Approved For Release 2007/05/17 : CIA-RDP84B00274R000300150016-7