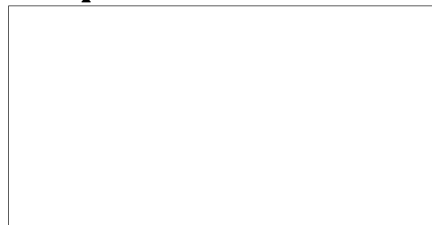


Page Denied



Directorate of Intelligence

Top Secret



USSR Review: Supplement



25X1

January 1988

FILE COPY/SOURCED COPY CONTROL BRANCH/CPAS/PDG/IMC ROOM 7G07 HQS NO ADHOC REQUIREMENTS	1	357	357
---	---	-----	-----

001/150/0010/0079997

EXTRA COPIES (SUPPLEMENTAL) STAFF-CPAS/IMC/CONTROL BRANCH ROOM 7G07 HQS	20	358	377
--	----	-----	-----

(A-25)

359 SOVA/SIG/SP/U 3 MAR 88

001/150/0010/0079997

Top Secret

SOV UR 88-001CX

January 1988

Copy 357

25X1

Page Denied



**Directorate of
Intelligence**

Top Secret



25X1

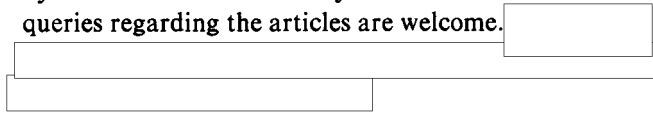
USSR Review: Supplement



25X1

January 1988

This supplement of the *USSR Review* is published by the Office of Soviet Analysis. Comments and queries regarding the articles are welcome.



25X1
25X1
25X1



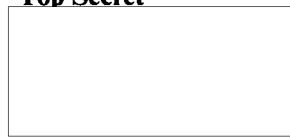
Reverse Blank

25X1

Top Secret
SOV UR 88-001CX
January 1988



25X1

Top Secret



25X1

Contents

	<i>Page</i>	
Articles		25X1
		
Restructuring in the Soviet Defense Sector: A Status Report	7	25X1
<p>Since the Cessna incident, the campaign for <i>perestroyka</i> in the defense sector has been stepped up. The measures taken so far, however, are too limited to effect the radical improvement in efficiency and capabilities that General Secretary Mikhail Gorbachev seeks. Much of the military-industrial establishment, moreover, would clearly prefer that these measures become substitutes for, rather than the forerunners of, more far-reaching changes.</p>		
		25X1
		



Page Denied

Next 4 Page(s) In Document Denied

Top Secret

[Redacted]

25X1

Restructuring in the Soviet Defense Sector: A Status Report [Redacted]

25X1

Until recently, the military largely paid lip service to Mikhail Gorbachev's efforts to extend "restructuring" to the defense sector. Following the military's poor handling of the Cessna incident last May, however, the General Secretary stepped up his efforts to reform the defense sector. He has made changes in the highest levels of the Defense Ministry and General Staff, revitalized the military's party organizations, called for improvements in training and education for both officers and enlisted men, cracked down on discipline and alcohol abuse, and demanded greater efficiency in the defense sector's use of economic resources. Gorbachev is also considering reducing the size of the officer corps, making major organizational changes, and shifting resources from defense to the civilian sector. Although resistance to these changes is brewing in the armed forces, Gorbachev shows no signs of backing down. Still, because these major reforms are politically risky, he is likely to move cautiously in implementing them in the months ahead. [Redacted]

Perestroika in the Military

Before last year, there was little evidence that the military was restructuring itself or even felt pressed to do so. On the contrary, while publicly supporting Gorbachev's reforms, elements in the military were still avoiding compliance with his policies early in 1987. [Redacted]

[Redacted]

Moreover, although the military press has endorsed restructuring—and leaders such as Air Defense Chief Ivan Tretyak and General Staff First Deputy Vladimir Lobov have publicly endorsed the reform drive—there was a pro forma quality to the endorsements from many senior officers. During

celebrations last February for Soviet Armed Forces Day, for example, [Redacted]

[Redacted] detached endorsement of restructuring in his keynote address. Other key officials, including First Deputy Defense Ministers Victor Kulikov and Petr Lushev, also have been lukewarm in their public support of restructuring. [Redacted]

25X1

25X1

The humiliating failure of the Soviet Armed Forces to stop the Cessna intrusion, however, has given crucial impetus to *perestroika* in the defense sector by publicly exposing air defense shortcomings.

Reportedly enraged by this instance of incompetence, Gorbachev made immediate personnel changes—including the firing of Defense Minister Marshal Sergey Sokolov and the promotion of Army Gen. Dmitry Yazov as his replacement—and publicized the Politburo's criticism of the Defense Ministry. The Cessna affair gave Gorbachev additional justification to demand that the ministry make restructuring a top priority. Thus, in contrast to the limited coverage earlier, since May 1987 the military and civilian press have carried numerous articles pushing restructuring in the military. [Redacted]

25X1

25X1

Nonetheless, there is no consensus among Soviet spokesmen about what restructuring means for the defense sector or how far it will go. Many representatives of the military apparently are attempting to limit the scope of restructuring by defining it as a program to end corruption, improve discipline and training, and conserve resources. According to other political and military spokesmen, however, this definition is too narrow. In August *Krasnaya zvezda*, the leading military newspaper, wrote, "restructuring (in the military) is not merely a 'repair operation' " although many define it as such;

25X1

25X1

Top Secret

[Redacted]

25X1

Top Secret

25X1

rather, it "is conceived as a truly revolutionary transformation." Indeed, for some Soviet spokesmen, especially some civilian commentators, restructuring has become an umbrella term covering both moves to increase efficiency and more fundamental reforms, including reallocating resources from defense to civilian purposes, reorganizing the Soviet Armed Forces, and adopting a new military doctrine.¹ So far, measures to restructure the defense sector have hewed to the more limited view, focusing on cadre changes, tighter party control, resource conservation, better training, increased discipline, and more *glasnost* and "democratization."

Gorbachev's tenure, 16 of 24 chief political officers in the military districts, fleets, and groups of forces also have been replaced. this turnover of political officers is occurring throughout the Defense Ministry.

25X1

25X1

Cadre Policy. Sokolov's dismissal from the Defense Ministry made the point that leadership accountability is a key element in restructuring. Even earlier, however, the power to appoint and promote was being used extensively to advance restructuring. Since coming to power, Gorbachev has replaced or reshuffled officers at the highest reaches of the Defense Ministry and the General Staff, apparently with the aim of bringing those willing to support his reform drive into leadership positions (see inset).

Coincident with these changes in the leadership of the MPA, party *aktiv* meetings at various levels of the Defense Ministry increased noticeably, judging by coverage in the military press. Lizichev, in particular, has promoted restructuring at meetings with Defense Ministry party organizations in Moscow and at the military district level. Defense Minister Yazov and other military leaders have joined in this effort.

25X1

25X1

Gorbachev also apparently is considering trimming the top officer corps.

Resource Conservation. Improving operations and maintenance practices and reducing costs are also major goals of restructuring. some ground force units have been given specific goals for reducing resource use in what may have been a reaction to the *perestroyka* campaign (see inset). In addition, longstanding Soviet efforts to extend the service lives of various weapons—thus extracting more bang for the ruble—may have been given additional impetus by the imperative to restructure.

25X1

25X1

25X1

25X1

25X1

25X1

Some in Moscow's attache community believe that nonoperational headquarters staffs from the military district level up will be cut by 15 percent and that many billets will be downgraded.

25X1

Tightening Party Control. Gorbachev also has moved to revitalize the military's party organizations in support of his agenda. In July 1985 he installed Aleksey Lizichev, an officer sympathetic to the reform drive to replace the ineffective Aleksey Yepishev as the Chief of the Main Political Directorate (MPA). During

Training. Gorbachev has sought to upgrade the quality of education and training given draftees and officers in response to longstanding complaints by military leaders that junior officers and soldiers often lack initiative and cannot handle unexpected situations. The leadership is probably counting on the education reform now under way to help. The Soviets have also announced plans to improve political/military education and premilitary training.

25X1

25X1

25X1

Top Secret

25X1

Top Secret

25X1

Turnover in the Soviet Defense Ministry

The high rate of turnover throughout the military since Gorbachev came to power is shown in the tabulation below. Some turnover was inevitable due to death and retirement, and the extent of the commitment of many of the new military leaders to

perestroyka is unclear. Still, they all assumed authority with Gorbachev's explicit approval, knowing that Gorbachev is holding generals to a higher standard than in the past, and aware that support for his program is necessary for continued advancement.

	1985	1988		1985	1988
Minister of Defense	Sokolov	Yazov ^a	Belorussian	Shuralev	Shuralev
First Deputy Ministers	Akhromeyev	Akhromeyev	Carpathian	Belikov	Skokov ^a
	Kulikov	Kulikov	Central Asian	Lobov	Kovtunov ^b
	Petrov	Lushev ^a	Far Eastern	Yazov	Moiseyev ^a
Deputy Ministers			Kiev	Osipov	Osipov
Service Chiefs			Leningrad	Snetkov	Yermakov ^b
Navy	Gorshkov	Chernavin ^a	Moscow	Lushev	Arkhipov ^b
Ground Forces	Ivanovskiy	Ivanovskiy	North Caucasus	Skokov	Shustko ^a
Air Forces	Yefimov	Yefimov	Odessa	Yelagin	Morozov ^a
Air Defense Forces	Koldunov	Tret'yak ^a	Siberian	Vostrov	P'yankov ^a
Strategic Rocket Forces	Tolubko	Maksimov ^a	Transbaykal	Postnikov	Betekhtin ^b
Armaments	Shabanov	Shabanov	Transcaucasus	Arkhipov	Kochetov ^b
Civil Defense	Altunin	Govorov ^b	Turkestan	Popov	Popov
Rear Services	Kurkotkin	Kurkotkin	Ural	Grachev	Madudov ^a
Construction/Billeting	Shestopalov	Shestopalov	Volga	Ryakhov	Patrikeyev ^a
Personnel	Shkadov	Sukhorukov ^a	Groups of Forces		
Main Inspectorate	Govorov	M. Sorokin ^a	Germany	Zaytsev	Snetkov ^b
Chief, Main Political Directorate of the Army and Navy	Yepishev	Lizichev ^a	Northern Group	Kovtunov	Korbutov ^a
Theater Commands			Central Group	Yermakov	Vorob'yev ^a
Far Eastern	Tret'yak	Voloshin ^a	Southern Group	Kochetov	Demidov ^a
Southwestern	Gerasimov	Gerasimov	Fleets		
Southern	Maksimov	Zaytsev ^a	Baltic	Makarov	Ivanov ^a
Western	Orgarkov	Orgarkov	Black	A. Kalinin	Khronopulo ^a
Military Districts			Northern	Mikhaylovskiy	Kapitanets ^a
Baltic	Betekhtin	Grishin ^a	Pacific	Sidorov	Khvatov ^a

^a Promoted.

^b Lateral move within the Ministry of Defense.

25X1

Top Secret

25X1

Top Secret



25X1

Goals for Military Perestroyka in 1988

In late December, a Krasnaya zvezda article described how perestroyka is to be implemented in a tank regiment of the Kantemirov Division, a "Moscow Parade" division considered to be a pacesetter in the Ground Forces. Although articles demanding ever greater performance are common, this is one of the first articles to appear under the restructuring banner that sets targets for improvements in training and resource conservation, and goals like these probably will be adopted throughout the Ground Forces in the coming year. Taken as a whole, they fall neatly under the narrow interpretation of military perestroyka that was discussed above.

In addition to improving discipline and enhancing combat readiness, the regiment is to:

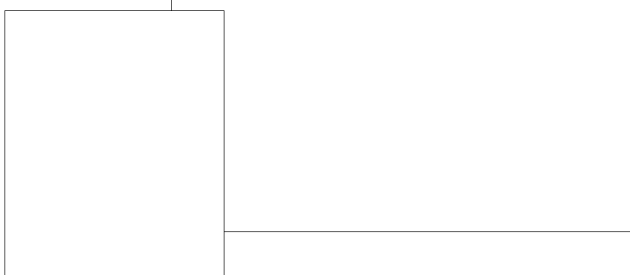
- *Increase the number of highly qualified soldiers in combat and political units by 25 percent.*
- *Master modern weapons and equipment by improving the training given to specialists so that 65 percent of them are considered "highly rated" by the end of each training cycle.*
- *Upgrade the physical conditioning and abilities of soldiers so that 95 percent of them are considered "qualified sportsmen."*
- *Raise the intensity of training by slashing by 15 percent the time required to achieve training norms.*
- *Cut electricity use by 10 percent.*
- *Reduce expenditures on POL, rubber, and automotive products by 5 percent.*
- *Increase the time between vehicle overhauls by 5 percent.*

DOSAAF (The Volunteer Society for Cooperation With the Army, Air Force, and Fleet) training is to be expanded and upgraded, and a program of military summer camps begun. Military schools are also under pressure to improve the training of young officers. The leaders of several schools have been sacked for corruption, and efforts to revise the curriculums may be under way.

An important component of restructuring has been renewed emphasis on improving combat training. Writing recently in the military press, for example, one general claimed "restructuring means resolutely overcoming stagnation . . . in the combat readiness and training of troops and naval forces." Several articles have called for increased realism in combat training. But the more intensive training is to be accomplished while conserving resources.

Addressing the Human Factor. Gorbachev has also sought to impose greater discipline and accountability in the military by extending his civilian campaigns against corruption, drunkenness, and indolence to the defense sector. The antialcohol effort has been pushed especially vigorously in the armed forces because, according to official accounts, alcohol abuse is responsible for about 30 percent of the discipline problems in some regiments. As in the civilian sector, Gorbachev has balanced calls for greater accountability with promises of improvements in working and living conditions. During his September visit to Murmansk, he called for better housing and benefits for servicemen.

At the same time, the military justice system is being revamped. A new legal body has been established to strengthen discipline. The Military Prosecutor's Office also has been told to go after those who physically abuse soldiers. An increasing number of articles have condemned officers for assaulting subordinates.



Glasnost and Democratization. Meanwhile, Gorbachev has ended the military's immunity from criticism in his pursuit of greater efficiency in the

Top Secret





25X1

Top Secret




25X1

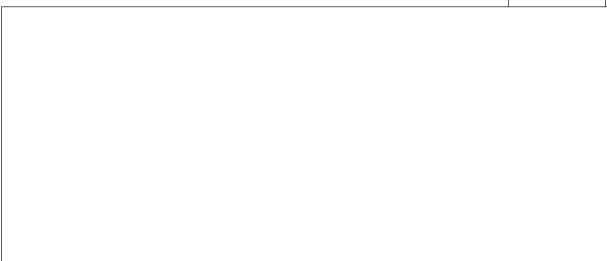
defense sector. Following the Cessna incident, former Moscow Party boss Boris Yel'tsin participated in a meeting at which the military was publicly ridiculed for the number of "toadies, bootlickers, and window dressers" in the ranks. Apparently as part of a concerted campaign, the civilian and military press have expanded their coverage of military inadequacies and illegalities. *Krasnaya zvezda* has exposed many cases of corruption in recent months, including the accusation that several general officers had sold draft exemptions. Other articles have condemned field grade officers for negligence. While lax military behavior and discipline were exposed under Andropov and Chernenko, senior officers were rarely ridiculed publicly as they have been under Gorbachev. 

cost, and the Soviets have extended some elements of restructuring into these industries. Fundamental reform has been lacking, however. 

25X1


So far, the reform that has had the most impact on the defense industries has been *gospriyemka*, the state acceptance system introduced on 1 January 1987. The program attempts to improve the quality of consumer goods production by giving inspectors at plants the right to reject items that fail to meet state standards, and is modeled after the military representative system used in the defense industrial sector. 


25X1



25X1

25X1

Gorbachev's efforts to "democratize" or create a greater sense of individual participation in the system have also sparked similar, but controversial, calls in the armed forces. A recent *Krasnaya zvezda* editorial advocated democratization in the military, describing it as "the wide development of *glasnost*, criticism . . . and the rejection of blatant rule by administrative decree." 



Like the military, the defense industries have also been exposed to greater public criticism. Soviet leaders have publicly rebuked the sector for failing to support the industrial modernization program and for not devoting greater attention to the production of civilian goods. At the June 1987 plenum, for example, Gorbachev scolded the Ministries of the Radio Industry and the Communications Equipment Industry for "taking a formal attitude to consumer goods as something secondary" and for failing to meet production targets. There has been no public criticism of the defense industries, however, for failing to meet weapons production targets or for wasteful use of resources in producing military equipment. This may reflect the leadership's belief that there have been no serious problems on this score. A more likely explanation is that discussion of such problems is deemed too politically sensitive. 

25X1

25X1

25X1

25X1

But because democratization does not fit easily with the idea of one-man command, the military continues to be lukewarm in its support. Indeed, of the reform measures adopted so far, *glasnost* appears to have caused the most concern in the military. While *Krasnaya zvezda* has exposed some military failures, it has also used *glasnost* against its critics. Its articles have accused civilian authorities of promoting permissiveness and anti-Soviet sentiments. In December the newspaper charged a "pseudopacifist" group with inciting young people to "violate" the duty of military service. Other military press articles have decried the irresponsibility of unqualified civilians who speak out on military issues. Meanwhile,  *glasnost* has eroded discipline in some units. 

Recently, the leadership has stepped up its efforts to increase the defense industries' involvement in retooling the light industrial and food-processing sectors. In October Premier Ryzhkov ordered the defense industries to support civilian modernization

The Defense Industries

Gorbachev also is pushing the defense industrial sector to eliminate waste and use resources more productively. The sector's reputation for producing higher quality goods than the civilian sector—while well earned—has been purchased at a high resource

Top Secret



25X1

Top Secret

[Redacted]

25X1

amid signs that the leadership will take a more activist role in the future to force the sector to cooperate. Subsequently, Politburo member Victor Nikonov stated that the defense industrial ministries would be expected to increase equipment deliveries to the food-processing sector by "fourfold to ninefold" by 1995.

[Large redacted block]

Although interested in promoting greater efficiency, Moscow appears reluctant to apply to the weapons production sector those reforms that would decentralize authority. Statements from Soviet planning officials indicate that—despite the scheduled switch to wholesale trade in industry, which will encompass 75 to 80 percent of all trade by 1992—the defense industries will continue to have guaranteed access to supplies without having to negotiate with other plants. Similarly, defense industrial enterprises apparently will be exempt from some of the provisions of the new law on state enterprises. Under this law, enterprises—unless specifically exempted—are responsible for financing most of their capital improvements. The leadership has stated, however, that it will continue to finance the most important projects, which, we believe, would include those related to defense production.

Finally, the negotiations carried out so far suggest that the participation of defense industries in joint ventures—unless it clearly increases Soviet access to restricted technologies—will be limited to projects for the production of civilian goods. We expect the recently announced joint venture, in which a Spanish firm and the Soviet Communications Equipment Ministry will cooperate in producing telephones, will set the tone for any future defense industrial participation in joint ventures with Western firms.

[Redacted]

Prospects and Implications

Despite the measures taken so far, the pace of restructuring remains slow and uneven. An early October 1987 editorial in *Krasnaya zvezda*, for example, lamented that while a "storm of paper and words were raging at the top," there is a "complete standstill" at lower levels. Subsequently, the controversial nature of the campaign was indicated by an article reporting that Gorbachev's discussion of restructuring with personnel of the Northern Fleet last fall was "emotional and heated."

Nonetheless, saving resources, eliminating corruption, and enhancing efficiency and combat readiness have been favorite topics for military spokesmen for years, and we expect them to garner continued military and political support. If some of the minor reforms already introduced in these areas are implemented carefully, they could improve Soviet military effectiveness and efficiency, although they would probably have only a small impact on overall defense spending. *Glasnost* and democratization, on the other hand, have generated apprehension in military ranks and, together with suspicion that Gorbachev has more fundamental reforms in mind, may poison the atmosphere for *perestroyka* in the military.

Large reductions in the officer corps and major troop or budget cuts, moreover, would inevitably be contentious and would almost certainly be resisted by some of the more conservative members of the leadership. Despite an extensive turnover since the

25X1

25X1

25X1

25X1

25X1

25X1

Top Secret

[Redacted]

25X1

Top Secret

25X1

Brezhnev era, some members of the Defense Council, the key national security decisionmaking body, may share the concern of some elements in the military about the more far-reaching aspects of Gorbachev's program for reform in the defense sector. [redacted]

Within the defense industries, the potential for the widest application of *perestroyka* exists in production for the civil sector. *Gospriyemka* and *glasnost* are already affecting civil production, as evidenced by rejections of consumer goods manufactured within the defense industrial sector and increased public criticism of the sector for poor performance in this area. Leadership calls for defense industries' assistance to the civilian sector, presentation of a specific plan for their participation, and their receipt of the assets and responsibilities of the recently dissolved industry for light and food industry machinery provide further evidence that the leadership has decided to commit the defense industrial sector to a sizable, long-term role in the civilian modernization program and will hold it accountable for meeting civilian production targets. [redacted]

National security is a particularly sensitive area for the Soviet leadership, however, and Gorbachev probably would be reluctant to leave himself open to charges of weakening Soviet defenses by pushing fundamental reforms that many in the military leadership oppose. Such reforms would almost certainly take time to be worked through and to gain support. Moreover, if Gorbachev is involved in battles on other fronts—as the recent dismissal of Moscow Party boss Yel'tsin suggests—he would probably move even more cautiously in this sensitive area. [redacted]

The handling of the defense industries portfolio on the Secretariat could provide an indication of how hard Gorbachev intends to push restructuring in the defense sector in the near term. Post-Stalin precedent suggests that Lev Zaykov, who recently became Moscow party boss, should relinquish these responsibilities:

- If a current member of the Secretariat less sympathetic to Gorbachev—particularly Brezhnevite Vladimir Dolgikh—takes over this sector along with his other responsibilities, it would suggest the party may be letting up the pressure on defense industries.
- If Zaykov retains the defense industry portfolio or a new party secretary is selected—particularly one with a record as an aggressive and efficient manager—this might mean that Gorbachev will not allow any slackening of party oversight of this sector. [redacted]

Even if Gorbachev pushes hard, we believe few in the military would risk potential confrontation through direct opposition to restructuring. Overt resistance would provide the General Secretary with a strong rationale for more extensive personnel cuts and radical change in the Defense Ministry, thus speeding the reforms. Passive resistance, on the other hand, would be a more likely and troublesome response. Such resistance not only could stall Gorbachev's plans but could, by increasing confusion and demoralization, erode the military's performance. [redacted]

25X1

25X1

25X1

25X1

25X1

25X1

Top Secret

25X1

Top Secret

25X1

Top Secret