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CIA - SOVIETS
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The Central Intelligence Agency and the Pentagon issued a joint statement Friday asserting Soviet defense spending exceeded that of the United States "by substantial margins" despite a slowdown in Soviet defense spending.

The unexpected statement was seen as an effort to clarify CIA testimony before a congressional subcommittee last fall and to refute reports of an intelligence rift between the agency and the Pentagon.

Last Nov. 21, a ranking CIA official testified in secret before a Joint Economic subcommittee the Soviet Union's defense budget had grown by only about 2 percent a year since 1976 - down from a rate of 4 to 5 percent. When a sanitized version of that testimony was released Thursday, Sen. William Proxmire, D-Wis., the panel's ranking Democrat, charged the findings undercut much of the Reagan administration's justification for higher U.S. defense spending.

A The November testimony, delivered by Robert Gates, the deputy director for intelligence, also appeared to conflict with Defense Department assertions last summer that overall Soviet military spending was increasing at the rate of 3 percent to 4 percent a year over the 1982-1983 period.

Friday, a new CIA statement was released at the Pentagon along with a notation from the Defense Department saying it "endorses the analysis."

"The (November) testimony was not on Soviet military capabilities," the statement begins. "Because the information released by the committee presents a narrow view of Soviet military growth, the CIA wishes to emphasize the broader context of its testimony and to convey a more balanced - though still partial - picture of the Soviet military build-up."

While the rate of growth in Soviet defense spending did decline after 1976, "the cost of (Soviet) defense activities has exceeded that of the United States by a large margin ... The dollar cost of Soviet defense activities in 1981 - in the middle of this period of decline - was some 45 percent greater than for the U.S.; procurement costs alone were some 45 percent larger.

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"While this margin has narrowed with the growth in U.S. defense spending, the Soviets still outspend the U.S. overall and in important specific categories by substantial margins. The CIA also stressed in last November's testimony evidence of an upturn in Soviet defense spending in 1983," the statement said.

According to a chart attached to the new statement, the Soviet Union's military costs amounted to the equivalent of \$2.2 trillion between 1974 and 1983, compared with U.S. defense spending of \$1.6 trillion.

The statement also appeared to downplay differences over a controversial Pentagon report last summer that asserted Soviet spending on major weapons systems had increased between 5 percent and 10 percent from 1982 to 1983. The CIA offered no specific figures, but said:

"Soviet efforts to develop advanced weapon systems continue in the 1980's at least at the rapid pace of the previous two decades. Among these weapons are fighter and airborne control aircraft, ballistic and cruise missiles, space systems and submarines."

Even without a rapid rate of growth in their budget, the statement concluded, "current Soviet levels of spending are so high ... that Soviet forces received in the years 1977 through 1983 a total of 1,100 inter-continental ballistic missiles; more than 700 sea-launched missiles, 300 bombers, 5,000 fighters, some 15,000 new tanks and substantial numbers" of ships and submarines."

"During the same period, the U.S. added to its inventory 135 inter-continental missiles, 390 sea-launched missiles, no bombers, 3,000 fighters, 5,000 tanks and 106 warships."