

ARTICLE APPEARED
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BALTIMORE SUN
22 February 1985

Spending rate for arms held cut by Soviet

WASHINGTON (Reuter) — The CIA, apparently contradicting Defense Secretary Caspar W. Weinberger, said in testimony made public yesterday that the Soviet Union reduced by half the rate of growth in its defense spending starting in 1977.

"Before 1976, growth in total defense spending had averaged about four to 5 percent per year. After 1976, the rate of increase in spending dropped appreciably, to about 2 percent a year," the Central Intelligence Agency said.

The testimony by Deputy CIA Director Robert Gates was given last November 21 to a congressional economic subcommittee and was made public yesterday by Senator William Proxmire.

Mr. Proxmire, a Wisconsin Democrat, commented that "it is time for Washington to take official notice that Soviet military procurement has been stagnant for the past seven years and to stop acting like nothing has changed."

Mr. Gates's testimony appeared to conflict sharply with Mr. Weinberger, who has said repeatedly that a Soviet military build-up has proceeded unabated since the 1970s.

The Pentagon declined to comment on the report.

The Pentagon and CIA have been engaged in a running battle over Soviet defense spending rates, and Mr. Gates said in his testimony that the intelligence agency was confident of its analysis.

His analysis went through 1983, and he said that since then the CIA had "noted evidence of some acceleration in the rate of increase in defense spending."

Mr. Gates estimated that Moscow spends 13 or 14 percent of the country's gross national product on defense. The United States spends about 7 percent of its GNP, which is much larger than the Soviet Union's.

The Soviet economy pulled out of a decline in 1983, Mr. Gates said, growing about 3 percent, but growth slowed to 2 percent in 1984 because of a poor harvest.

He said the agency was forecasting that "the upswing in GNP growth could continue for another year or two."

Although defense spending growth slowed sharply for seven years, Mr. Gates said the Soviet defense establishment managed to continue modernizing and improve its military.

During that time, he said, the Soviets purchased 1,100 intercontinental ballistic missiles, more than 700 sea-launched ballistic missiles, 300 bombers and 5,000 fighters.

Despite the scale of the ongoing Soviet defense programs, the growth of spending did slow, Mr. Gates said.