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36



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Intelligence Memorandum

THE 24TH PARTY CONGRESS AND SALT

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INTELLIGENCE MEMORANDUM

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Summary

The 24th Party Congress will convene only two weeks after the start of the Vienna round of SALT, but it is unlikely that the Congress will interfere with the Soviet-US talks. Any decisions to be announced at the Congress will almost certainly have been made before SALT reconvenes on 15 March. Although economic issues that will be discussed at the Congress will bear on Moscow's position toward SALT, they will not force the Soviets into any substantial changes in their negotiating position. The chances are good that the Soviets plan to approach the Vienna round with much the same position that they had elaborated by the end of the last Helsinki phase, as they probably would have even if no Party Congress were imminent.

Note: This memorandum was prepared by the Office of Current Intelligence and was coordinated within CIA.

The Party Congress

- 1. The "highest body" of the Soviet Communist Party, the Party Congress, will convene on 30 March, two weeks after the start of the Vienna round of SALT, and after a postponement of one year. Although the Congress is usually a rally of the faithful, it is nevertheless a significant platform for proclaiming new policies and goals, modifying party rules and programs, and occasionally announcing shifts in the top party command. The Congress also elects a Central Committee, which discusses and approves policies formulated in the Politburo, and a Central Auditing Commission, which checks on the financial affairs of the party.
- 2. The Central Committee is nominally charged with the election of the top party leadership—the Politburo. On two occasions, the vote of the Central Committee was important, first in enabling Khrushchev to maintain his post as head of the party in 1957, and later in sanctioning his ouster in 1964. With these precedents in mind, each of the 11 members of the Politburo must be concerned with his support in the Central Committee and with any changes that take place in that body.

Issues Facing the 24th Party Congress

- 3. There are very serious and contentious issues confronting the leadership, and, even if these issues do not surface at the Congress, they will certainly occupy the leaders for the next two months. The Five-Year Plan will be uppermost in the minds of Soviet policymakers. In approving the directives of the Plan to be presented to the Congress, the leadership will have to establish priorities for the various sectors of the economy. This requires them to direct their attention to the problems of resource allocation, modernization, economic management, and reform.
- 4. The political speeches from last summer's Supreme Soviet elections provided only a few clues to the ultimate decisions on these difficult issues.

Although there appeared to be strong agreement on the need for increased investment in agriculture, the speeches were less precise on the priority to be given other sectors of the economy. The Politburo members seemed to be following Brezhnev's line that it would be "premature" to discuss "concrete figures and assignments." This suggests that major problems may still be unresolved and that no Soviet policymaker is prepared to speak out until a consensus has been shaped. The backing and filling that has taken place regarding the date for convening the Congress also points to the lack of a common position.

- 5. The leadership appears to be groping for a new program to move the economy forward, but the approach is again a cautious one. Although individual leaders recognize that the economy is in need of reform, they are not prepared to sacrifice the party's central control over economic matters for the sake of economic progress. Like the problem of allocation of resources, the issue of economic reform is tied to personal careers. Even Premier Kosygin, who was partly responsible for the reform program of 1965, appeared to be in retreat in 1970 on this subject. The dearth of statements on reform is an example of the general policy impasse in the Soviet Union on important matters.
- The recent speeches by key Soviet leaders have been similarly evasive on the solutions to these policy questions, which suggests that a stalemate within the Politburo still exists. So long as this stalemate continues, major policy innovations are unlikely. Nevertheless, we would not necessarily know if one element within the leadership were willing to risk breaking the current deadlock and trying to create a different balance. Given the secrecy surrounding Soviet politics, the possibility of some such eruption cannot be excluded, though it is more likely that the 24th Party Congress will be similar to the 23rd Congress held in 1966, a well disciplined and almost routine affair. The more controversial issues probably will be avoided, or at least treated with careful neutrality.

7. In any event, the individual members of the Politburo are sure to concentrate on ensuring that their followers are represented on the Central Committee to the fullest extent possible. There is no mandatory retirement age for the Central Committee, but old age could certainly be an excuse, if not a reason, to replace additional members. Changes in the membership could bring onto the Central Committee a different representation for the various sectors of the economy, as well as a different balance in the support of the top leaders.

The Congress and SALT

- The level of defense spending is, of course, a significant factor in the eyes of the leadership in formulating economic decisions. The issues raised at the Congress, moreover, could bear on the pace of the SALT negotiations and induce the Soviets to revise their approach toward an agreement in the near term. If the Soviets were to decide, for example, to ease the strategic arms burden in order to redistribute investment funds and skilled manpower, they might also decide to be more forthcoming in their discussion of limitations on strategic offensive weapons than they have been in previous SALT rounds. An arms agreement of the type currently under discussion is not likely to permit a significant reduction in the level of military spending in the next year or two, but it could relax the need for further expansion of expenditures for strategic forces and might lead to sizable reductions over the long term.
- 9. Nevertheless the economic issues facing the Soviets are not so grave or urgent that they are likely to impinge significantly on the Soviet position in the next round of SALT. Indeed, the Soviet economy, at this particular moment, appears in better shape than in recent years to support Moscow's military posture. Over-all economic growth in 1970 posted a good recovery from the poor performance of 1969, and for the first time in several years a boost in investment activity has occurred. The Soviet

economy could support even higher levels of arms spending than now prevail, and expenditures for advanced weapons and space systems--particularly for research and development--is growing faster than total defense outlays.

- 10. Thus the Soviets have no strong economic incentives to revise their course at the next round. Because of their tabling of a separate ABM agreement at Helsinki, moreover, the Soviets may feel that the US must take the initiative in Vienna. The US did not categorically reject the Soviet proposal at Helsinki, and there is evidence in the US press that pressures may be building up in favor of an ABM-only limitation. If the Soviets believe that there is reason to hope for some US "give" on the issue of forward-based systems—that is to "take them into account"—they would have an additional reason to pursue at the Vienna round the position they unveiled at Helsinki.
- 11. The Party Congress may cause some interruption to the SALT talks, however. Although none
 of the Soviet delegates is a member of the Central
 Committee, Deputy Foreign Minister Semenov and
 Colonel General Ogarkov are candidate members and
 probably will attend some or all of the sessions
 of the Congress, which will last at least one week.
 It is also possible that some of their colleagues
 will be among the several thousand delegates, not
 yet named, who will attend the Congress.