

## CIA's Soviet estimate is misleading

"The Sept. 14, 1983 CIA Report to the Joint Economic Committee on the current state of the Soviet Union's military/production effort, despite numerous accurate items of information, is, on the whole, inaccurate, misleading and dangerous if decision-makers were to rely on its unfounded claims," according to *EIR* editor-in-chief Criton Zoakos, an associate of Democratic presidential nomination candidate Lyndon H. LaRouche, Jr.

"It was evident by no later than August of 1983, before the disappearance of President Yuri Andropov from public view, that the Soviet economy had been placed totally on a war mobilization footing according to a plan authored by Marshal Nikolai V. Ogarkov, the chief of staff of the Soviet Armed Forces during 1981" (article, below). This "phenomenon can only be compared, in the American experience, to the 1939-44 war mobilization carried out by President Franklin Roosevelt."

In his Nov. 29 analysis, Zoakos noted that from internal textual evidence, the CIA report "was the result of a protracted sort of bargaining sessions among contending analysts and schools of thought with conflicting and even diametrically opposed points of view.

"The second problem is the attempt to portray the Soviet economy as being in 'deep trouble' while at the same time the rate of growth of military hardware procurement has been reduced by half from 4 percent increase per year to 2 percent." Zoakos said that the intended effect of the two combined facts is to make American policymakers see the Soviet Union "as a country about to break up and ready to bid for a compromise deal with the United States.

"That faction of analysts which contributed this fallacy of composition wittingly or not is contributing to the cause of Britain's Lord Peter Carrington who is making his bid to be named secretary-general of NATO. . . . The danger embedded in that report is that Carrington, upon being appointed NATO secretary-general, might go through with his well-known plan which, according to published reports, may be summarized thus: the European members of the alliance, under the influence of Lord Peter, would present the United States with an ultimatum. 'Either you instantly terminate Mr. Reagan's March 23 program for the testing and development

of laser beam anti-missile defense systems, or the European members will break out of the alliance.' This, should Carrington win the nomination, would occur sometime in the spring of 1984, the estimated time during which the Soviets are expected to deploy their first ground-based relativistic particle beam point-defense weapons against missiles."

Mr. Zoakos stressed the following positive aspects of the CIA report: "The dramatic increase, during the first eight months of 1983, in the militarily relevant machine tool shops' investments and floor space is a fact. That the Soviets now have more military systems in Research, Development, Testing and Evaluation (RDT&E) than they had during the decades of 1960s and 1970s combined is also a fact. That consumer-related investments are collapsing is a fact, too. It actually is the result of a deliberate policy, the Ogarkov policy.

"Mr. LaRouche has often warned in public that the Soviet leadership had made an irrevocable decision not later than March 23 of this year and probably as early as the spring of 1982 to reorganize the entirety of its domestic economic, technical, engineering, and scientific effort toward the objective of confronting the United States with an overwhelming combination of strategic assault forces and anti-missile defense systems based on high energy laser and particle beam technologies—and thus force the military capitulation of the United States not later than 1988."

Some of the stagnation observed in the civilian sector, Zoakos observed, "is the result of the internal flaws of the Soviet economic system. Another part is the result of the ongoing collapse of the world economy and trade. The third, most crucial part of Soviet civilian economic stagnation is caused by the Soviet command decision to divert vital investment resources away from civilian sectors into the war effort. The analyst's task is to identify those unique types of investment resources and their characteristics which are being diverted into Ogarkov's war mobilization and proceed to characterize the state of the Soviet economy from that standpoint.

"The one of the three causes of Soviet economic stagnation about which Soviet policy-makers can do something is this diversion of civilian resources for the purpose of military buildup. . . . Therefore, if you want to know what they are up to, you must figure out how they are using their chosen instrument of policy, the Ogarkov wartime mobilization of resources."

Zoakos concluded: "The CIA report to the Joint Economic Committee is itself a cause for grave concern. The level of incompetence that it reflects amounts to a grave calamity in the state of affairs of national security-related intelligence evaluations. . . . If this calamity is not redressed immediately, the Soviet policy makers will never have to worry about their 'stagnating' civilian economy. Their strategic breakout will put them in the position of generously helping themselves to all they can get of what shall be left of the relatively more productive economies of western Europe and the United States."