
A West European View

The Soviet attitude toward the SDI

The memorandum excerpted here, by a German specialist with considerable experience in military technology, is circulating in political and military circles in the Federal Republic of Germany. Without touching upon sensitive areas of technology and U.S.-West German military cooperation, this specialist designed the memorandum to identify the cultural source of Soviet anxiety about the Strategic Defense Initiative.

The immense propaganda campaign initiated by the leadership of the Communist Party of the Soviet Union (CPSU), all subordinate institutions, and the organizations in the West which they influence, demonstrates, that the Kremlin and the Soviet military leadership take the American program to develop a defense-screen against Soviet ICBMs and SLBMs far more seriously than many Kremlinologists and politicians in the West had expected.

At first, the reactions from the East were aimed at making the entire SDI plan look ridiculous. In the process, the Soviets skillfully adapted the immediate point of view of the American peace movement, and played it up in their propaganda. "It is a crazy idea of a President gone berserk." Then, the tactics changed in 1984, when it became obvious that the Reagan administration was starting the program up for real, the American public slowly began to understand what was at issue, and the anti-SDI lobby did not succeed in achieving a breakthrough.

The Politburo became convinced that the SDI research work would not be significantly hindered by the anti-SDI lobby in the United States.

The old leitmotif, "The SDI is crazy, it will never be realized physically or technologically," was dropped, at least in the East. Instead, the weapons of "objective argument" were deployed, at least to the extent that such influence-propaganda has any room for objective argument at all. The chief targets were now Western European industrial nations—England, France, Italy, and the Federal Republic of Germany. This demonstrates that the Politburo wanted to

prevent the technological-scientific potential of the United States from being strengthened by augmentation with European research and industrial capacities.

There was a certain irony in the fact that the anti-SDI lobby in the West did not manage to keep in step with the lines of Soviet argumentation. That, in turn, led to the somewhat grotesque situation that people in Western Europe were still talking about "crazy, unrealizable ideas," while the propaganda apparatus of the CPSU was already operating with the argument "arms-control talks only if the United States gives up SDI." What did become perfectly, if disappointingly, clear to the anti-SDI lobby, is that the members of the Moscow Academy of Sciences, the top Red Army officers, and the Politburo, do not listen that closely to Western scientists who have proven that SDI "will not work."

All in all, there is something else behind Moscow's enmity against the SDI than a U.S. effort to research, and possibly develop in the near future, new non-nuclear defensive weapons against Soviet nuclear offensive weapons. The SDI program makes the entire military doctrine of the U.S.S.R. totter, a doctrine which has been developed since the fall of Khrushchov (1964) in painstaking planning by brilliant military thinkers. This military doctrine can be formulated in two brief points:

- 1) The enemy must be prevented from conducting a first strike (the Soviet trauma since June 1941).
- 2) Soviet territory must not be nuclear-contaminated in a coming conflict.

But if one examines this situation more precisely, it becomes clear that the Soviet enmity against the SDI is not only because it causes Soviet military doctrine to teeter like a house of cards. Following the announcement of the program, the military leadership undoubtedly proposed a comprehensive catalogue of countermeasures to the Politburo.

- Increase of offensive weapons, in particular the 5th generation, i.e., the (mobile) SS-25, the super-dimensional SS-24, and the SS-26.

Likewise, accelerated production of Thyphoon subma-

rines, armed with 20 SS-N-23, a missile which can reach American territory from Soviet waters.

- Harden the MIRV-bus and the warhead-shell against laser beams (and, if possible) also against particle beams.
- Increase the number of decoys, which simulate real warheads in form and weight.

The marshals' list of proposals was surely much longer than this, and they surely assured the Politburo that Soviet technicians could circumvent an American defensive shield.

Despite these assurances, Gorbachov and his other Politburo members ultimately decided to return to the negotiating table in Geneva, naturally with the loudly proclaimed reservation, that President Reagan ought to give up his SDI program. Reagan categorically refused. Nevertheless, it was agreed to hold a summit. There was no agreement on defenses in space. Parallel to the official "de-icing declarations" on both sides, there was a targeted propaganda operation aimed at the anti-SDI lobby and peace movement circles in America and Europe, which fell nicely into the arms of Soviet influence.

But on the propaganda field of battle, success was minimal. England, Italy, and—with many "ifs" and "buts"—the Federal Republic of Germany, were ready to enter direct agreements for an SDI participation, or—as in the case of the Federal Republic—to politically support this program.

Then, on Jan. 28, 1986, General Secretary Gorbachov delivered his thunderbolt: All nuclear weapons in the East and West could disappear by the end of this century. But only if the U.S.A. gave up its SDI program. Gorbachov thereby over-trumped the famous Reagan "zero-solution," since Reagan had given no date for the ultimate disappearance of all nuclear weapons. So, the question must be posed once more: Why such a desperate attempt by the Politburo to force the U.S.A. to give up the SDI? After all, in the evaluation of the Kremlin, there was a good chance that some circles in Western governments and in Western public opinion would enthusiastically pick up the Gorbachov "step-by-step" plan. But, here too, it seems as though the diligent propagandists in the Kremlin set their hopes for being able to exert a lasting influence on governments and populations in the West too high.

So, what is the reason for this embittered poker game against the SDI? The answer would have to lie somewhere far beyond the militarily altered situation. After all, after 40 years of thinking and planning offensively, even the Soviet military could learn to think defensively for once.

The deeper resistance

The resistance cannot be motivated merely by strategic-military considerations. If, however, we look the internal structure of the Soviet system of rule in the eyes, it becomes immediately clear, that the Soviet *Nomenklatura*—i.e., those persons who nominate the Central Committee delegates, in whose ranks the proposals and draft legislation issued by the

Central Committee Secretariat are discussed, and then ultimately voted on and passed in the Central Committee meetings—these people locate their own security in the conviction that the artificially intertwined centralization of all powers of decision fixes the future, makes it predictable. This predictability—introduced by Stalin via the mechanism of pure five-year plans—is what communicates the inner security, which a ruling elite absolutely requires. The *Gosplan*, which prescribes the most minute details of production life, ultimately provides all members of the *Nomenklatura* with the conviction, that everything is regulated, everything is foreseen, the course of development is predictable. And that goes not only for the products of civilian industry, but also to a great extent for military technology. In spite of the high proportion of the population still active in agriculture, the Soviet Union has the need to view itself as an industrial nation.

But it does not quite work out in industry. The domestic sections of the KGB are not at all inactive: They report irregularities, incidences of corruption, nepotism "up the line." Since Andropov, "examples" are made of more and more people, leading scientists, "Red Directors," and high bureaucrats are punished, some condemned to death. In every speech Gorbachov gives, he appeals to Soviet workers to maintain discipline, to perform better, and to report every conceivable grievance to the top. We may, therefore, presume, that the KGB some time ago provided to the Politburo, perhaps even to Gorbachov directly, a naked, true-to-life picture of the desolate situation of Soviet industry—desolate relative to what the Politburo believes it might have to accomplish in the face of the SDI. Since the KGB also has access to the technical, scientific, and economic journals of the West, the Politburo also knows that the U.S.S.R. cannot keep step with the West with respect to technology. Of course, no one can say so in public. But all of the measures, personnel changes, and elimination of superfluous bureaucracy of the past year, permit us to conclude, that the U.S.S.R. is clearly making efforts to catch up technologically and fill the existing gaps. A number of individual cases, which have become known, show that it is very difficult to build rapidly progressing technological innovation into a pre-planned cycle of production, planned years in advance. We in the West should know, that the chief of a production plant enjoys a clear veto right against "new elements in production" and innovations, which he does not like. Since his annual premiums are gauged according to the numbers of pieces produced to fulfill the "plan-guidelines," it should not be surprising, that he will fight tooth and nail against anything which will (or could) lower his annual premium.

In the military production field, the management situation becomes more complicated, because the Academy of Sciences (usually Moscow) has its hand in, administers, and finances all technological innovations, all R&D work. In addition to the Academy, the planning, development, and

production in the military area, is steered by an opaque maze of industrial committees, consisting of

- the Defense Ministry,
- the central Gosplan authority,
- the relevant secretariat of the Ministerial Council,
- the relevant production ministries,
- the relevant section of the Academy of Sciences, and
- usually a party-Central Committee Secretariat.

Anyone who has some closer insight into this jungle of responsibility authorities can hardly imagine a project engineer in a High Construction Office ever coming up with anything new. For outsiders, this maze of committees is also the explanation for that unique monotony of Soviet industrial products. Even in the case of more complex modern weapons systems, hardly any real progress can be observed over a span of decades. Soviet tanks are surely quite effective, but the blueprints today are drawn up according to the same criteria as Stalin laid down to his first Tank Production Office in 1934. Soviet fighter, interceptor, and bomber aircraft are surely good, but if we consider the succession of the individual models in time, the successive machines are generally copied from Western construction principles, principles which are then applied in the U.S.S.R. four or five years later. And if we examine the succession of Soviet large missiles—including reconstructions, we are astounded by the monotony of the overall design. Of course, today the Soviets have missile engines which use a gas pump to divert the flowing gas to the exhaust jet—but this came eight years after the application of this procedure in American missiles. Naturally, today the Soviets have Multiple Independently Targeted Reentry Vehicle (MIRV) warheads which can fly into different targets independently—but only nine years after the development of this new technology in the American Polaris and Minuteman missiles. Certainly, the Soviets have fighter and interceptor aircraft with variable wings—seven years after the United States deployed the first planes of this type in Vietnam.

Anyone who has dealt with the history of technology knows, that the Russian people have often brought forth talented inventors. The quip often used in the West, that the Russians have invented things far sooner than the West, but never made anything out of these inventions, should not be pronounced lightly. Russian inventors were often ahead of their time. Russian technicians are also quite innovative, for example, if one can observe them on a development project abroad.

Russian scientists have performed brilliantly in some areas. The number of Russian Nobel Prize bearers in natural science areas is steadily growing. So, it can not be due to the inborn “backwardness” of the Russian character, that the Russians are still waiting for the “new age of mankind,” which they were promised almost 70 years ago.

If, despite inventive talents of Russian people, real technological progress moves only very slowly, this tendency for

backwardness must be due to the system, to the internal structure of the society. But it is just this internal structure of the society which Gorbachov does not want to change. None of the measures which Gorbachov has announced indicate any intention to loosen up the rigid centralism of industrial infrastructure. Even if Gorbachov wanted to, he probably could not, because then the entire *Nomenklatura* would turn away from him. The leadership layers, consisting of some 350,000 people governing 270 million others, must know, that their security is guaranteed in an organized way, in order to be able to impose their rule ruthlessly. This security is guaranteed by rigid centralism. Hence it is easier to throw many other articles of faith of the communist world-view overboard, but this centralism of the leadership cannot be touched: That were a mortal sin, seen from the standpoint of a member of the *Nomenklatura*. This is also true, of course, for the military area—particularly in research and development of military weapons systems.

Moscow's military-industrial complex

It is necessary to examine the structure of research and modern weapons systems more closely, in order to understand why the centralized leadership circles of the Soviet Union fight so bitterly to stop the American SDI. The military-industrial complex in the Soviet Union accounts for between 9-14% of Soviet GNP, depending upon the breadth of one's survey of the firms and institutions involved. There are approximately 134 final assembly plants, approximately 3,500 supplier-enterprises, and about 6 million workers.

On the whole, nine ministries have one or another responsibility in the area of military production:

Chief contractors for weapons systems: Ministry for the Aircraft Industry (aircraft, helicopters, etc.); Ministry for the Defense Industry (conventional weapons); Ministry for Ship-Building (war-ships); Ministry for General Machinery Construction (strategic and tactical weapons, missiles).

Supplier ministries: Ministry for Medium-Sized Machinery Construction (nuclear weapons); Ministry for Machinery Construction (general munitions); Ministry for Electronics (military-electronic equipment); Ministry for Communication (telephone and radio systems); Ministry for the Radio Industry (radio and television).

The Experimental Construction Offices represent the bridges between research/development and production. They play a far more important role in the military than in the civilian sector. They are similar in structure to a large business. They are responsible for implementing a military large project from the design phase through the production of prototypes.

Businesses which produce military goods are also involved in civilian production in order to achieve better capacity utilization: Factories which produce components for missiles will also produce refrigerators, railway cars, threshers, etc., which in turn are sold on Western markets. Their

work is constrained, of course, by an army of commissars and their institutions. Designs in these factories must follow official "construction handbooks" which prescribe a number of standard design characteristics and materials, as well as production methods, in the most minute detail. One of the most detailed reports of the OECD Directorate for Science, Technology and Industry (Paris 1983), describes present knowledge of "design philosophy" in Soviet industry, particularly military industry.

Certain changes have been introduced in the past two decades, but the system of performance indicators for Soviet factories is still based on quantities, i.e., the number of things produced. In mid-1982, the "value indicator" for the performance of a factory was somewhat restricted, using the number of "sold" products as a measure. Otherwise, the following indicators are used: • general running costs, • labor productivity, • profit, related to capital input, • quality of the product, • savings in material and energy, • introduction of new technologies. Actual output, however, remains the chief indicator.

Imagine the director of a factory, who asks himself, whether he should produce something new, or continue with his old line of production. If he is actually successful with the new product, he (and other members of the management) will receive a bonus for the new technology, in addition to bonuses for output, profit, and the other indicators. But he takes a big risk if he introduces a new technology: • He will be dependent on other factories for materials and supplies of components. • The lead time for the production of the new product will usually be longer than estimated. • The production costs may initially be higher than expected. • The number of actually produced new products may be lower than planned. • The new product may not fulfill the wishes of the "customer," and may not be as reliable as the institutions responsible for the development had predicted.

The result of these risks is: His annual bonus will be smaller. If the manager rejects the new technology—which he can do—he will probably achieve all of his production targets with the previous line of production, which he would not have achieved with the innovation. Given the balancing act between risks/premiums, most managers will do their best not to introduce new technologies or new products. They need fear no competition. In a centrally planned economy with widespread and chronic inefficiency, a Soviet manager can count on the fact that the contracting agency will buy everything his factory produces, since this agency does not "distribute the products" to customers, it "assigns" them, and the customers are happy to get them.

These considerations are true not only for all factories, but to an even greater degree, for all official agencies and ministries, because the premiums of the bureaucrats in these institutions are accounted in terms of the volume of production of the factories under their supervision. All official agencies—all the way up the line—therefore have the same in-

terests: to keep output "high," and within the same product-mix which has been proven in the past, instead of introducing new products, which would be risky to say the least. This is the reason for the "monotony" which clings to all Soviet industrial production.

In military research and development, there is another factor which to a large degree hinders the development of new weapons systems: the Soviet mania for secrecy. It is, of course, true, that technicians and scientists who work in the weapons development sector have significant advantages: 1) higher wages (up to 30% higher); 2) rights to larger apartments; 3) greater ease in purchasing private cars; 4) luxurious vacations.

But the strict secrecy regulations deter many from working in the arms sector, so that the best scientists and technicians do not always join military industries. All technical-scientific information is divided into five categories: • open; • confidential; • secret; • strictly secret; • highest secrecy.

The same categories exist in the West, too, but the difference is, how secrecy is assured.

- There is a central KGB office in every factory, which fixes all of the security regulations for that factory, and also determines the level of access to secrets for every employee.

- There are seldom general guidelines which indicate what everyone can know—that is left to the discretion of the KGB office.

- Every worker or employee obtains a "security pass," which can only be worn when he goes to his own work place. Any intercourse with other offices, laboratories or workshops of the factory must be approved by the KGB office.

- There is a "super" pass, which allows access to other offices or agencies.

- All "secret" or higher classified writings, drawings, etc., must be stored in the KGB office.

- All notes, sketches or the like, of "secret" plans, or finished pieces, must be registered in "secret note-books" with numbered pages. Nothing entered, in ink, may subsequently be made unreadable.

- Every office has two secretariats: one for open, the other for secret correspondence.

This absurd system of secrecy leads to rigid sterility, and the complete inability to deal with anything new.

There is, moreover, the requirement that all scientific manuscripts be approved by various security agencies prior to publication. Since the "censors" usually know nothing of the subjects they review, important scientific knowledge bounces around the nest of the security bureaucracy for months. Only a few years ago, the Academy of Sciences in Moscow succeeded in alleviating this situation somewhat. Individual industrial ministries now publish "confidential monthly news-bulletins," which are only accessible, however, to a limited number of people screened by the KGB.

All of this is the consequence of the central control and planning by a small layer of the members of the *Nomenkla-*

tura, which has the entire Russian people "firmly in grip." Everything, absolutely everything, is pre-planned, predictable, and determined. And even if this pre-planning is not always fulfilled, the divergences are never great enough to impinge on the system. And the amazing thing is, that everyone in the Soviet Union is happy with this system. They feel embedded in a great plan, complain now and then about the inadequacies of its fulfillment, but are relieved of any responsibility to do any planning themselves, or decide anything themselves. Things are much calmer, much more secure, if one knows, that everything is decided "up there." That is the foundation of the feeling of security, which the *Nomenklatura* needs in order to block all the avenues to power for all the others. Changes in the internal social structure never come "from below"—God forbid!—but "from above." In Gorbachov's case, God did not forbid it, but Gorbachov's sweeping broom only hits some—the system remains.

Then comes this American President, who wants to make the entire system of strategic weapons, built up so painstakingly over 30 years, into junk. Naturally—and only a few people in the Politburo and the Central into junk. Naturally—and only a few people in the Politburo and the Central Committee know this—the Soviets also have their SDI, but this work was relegated to the top-red classification category from 1967 onwards. That way, the work could proceed on the "back burner," and it was easy to keep the "new" and "unaccustomed," the "upsetting" under control, to be able to slowly and securely think over the new technologies and develop ideas for the next 20 years. The entirety of Soviet plans for the future are in disarray because of the American initiative, an unhealthy hecticness protrudes into the business, because the Politburo knows, of course, that the Soviet Union cannot keep step with the U.S.A. in the sector of new weapons technologies, because the weaknesses of their system have produced gaps and technological backwardness. The "Soviet Eureka Pact" in Prague at the end of last year will not bring the desired "leap," because bureaucratic problems in technology transfer, and especially financing, cannot be overcome.

One thing is sure: The American SDI is the genuine and possibly most acute danger the Soviet Union faces. The "unique blessings of communist rule," and "true socialism" are threatened at the point of their central nervous system: central planning, long-term predictability of everything.

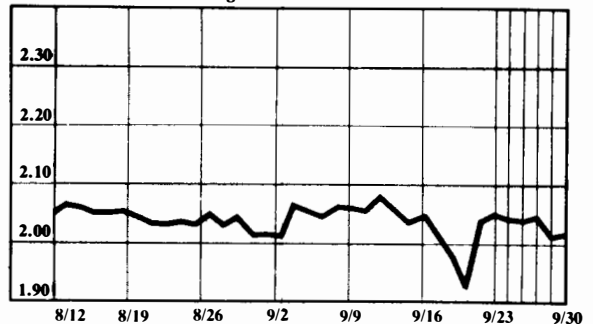
We in the West have to understand, that this Soviet battle against SDI will be with us for a number of years. The Soviets do not want to live with this danger, and the Americans are not going to leave them alone.

Whether we Europeans really join in, or not, is irrelevant to this fundamental battle. For our own technological future, it is decisive. The Soviets will have to transform their "SDI" into a "Crash Program," whether they want to or not. Basic decisions are still necessary, or we Europeans will be sitting in the middle, odd man out.

Currency Rates

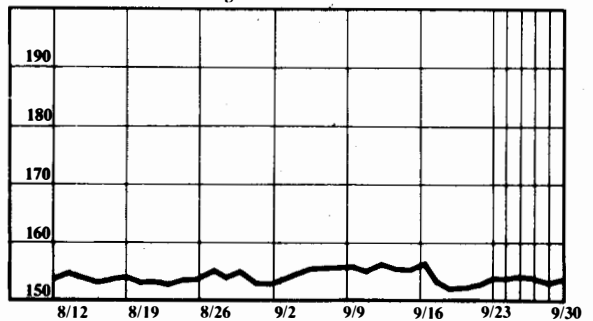
The dollar in deutschmarks

New York late afternoon fixing



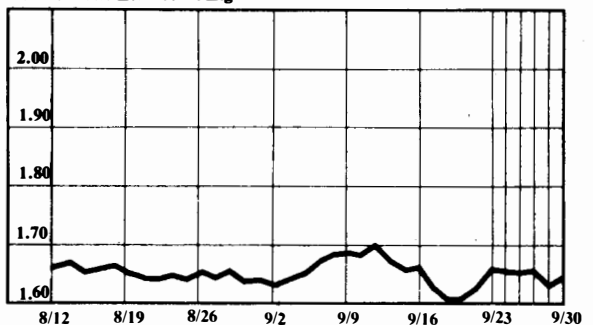
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

