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MODE: SR 5 VR

INFO

CITE DIR

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MOOD

SS: DIR A-53

1. POLITICAL MATTERS FOR DISSEMINATION WERE SOVIETS RE CURRENT USSR ECONOMIC DIFFICULTIES. AS BODIED REF, ITEMS INTENDED AS OPERATIONAL AID FOR ASSESSMENT AND EVALUATION SOVIETS, AND AS MEANS HOW DOUBT RE FOREIGNS ABILITY DEAL WITH ECONOMIC PROBLEMS. RECIPIENTS SHOULD NOT MEMORIZE ALL ITEMS BUT SELECT ITEMS APPROPRIATE FOR OWN USE. REPORT RELEVANT CONTACTS VIA OPS CHANNELS. HQS WILL SCREEN FOR VALUE.

2. WESTERN PRESS (REUTERS VIENNA 16 NOV) REPORTED STRIKE BY WORKERS KRIVOI ROG. REASONS WERE BREAD SHORTAGE AND DEMAND FOR WAGE INCREASES MEET RISING FOOD COSTS. SINCE NO ANNOUNCEMENTS FOOD PRICE INCREASES TO DATE, ARE THEY BEING RAISED SECRETLY? WHAT ITEMS AFFECTED? BREAD PRICES BEING INCREASED? HOW MUCH AS MUCH AS THIRTY PERCENT PINE MEAT PRICES LAST YEAR? IF PRICES BEING RAISED, IS FAILURE MAKE THIS PUBLIC RELATED GOVERNMENT YEARS RIOTS SUCH AS LAST YEAR

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NOTIFICATION WHEN MEAT AND MILK PRICES INCREASED

3. KHREBCHENOV IN PLENUM SPEECH SAID GRAIN CROP TWENTY PERCENT BELOW LAST YEAR NOT MEAT SUPPLIES UP. AS LATTER RESULT EXTENSIVE BUSINESS SLAUGHTERING LIVESTOCK IN VIEW SEVERE FODDER SHORTAGE KHREBCHENOV ALSO SAID MILK PRODUCTION DOWN THIS YEAR. DOES THIS INCREASE EVEN MILK COWS BEING SLAUGHTERED DUE FODDER SHORTAGE?

4. IF FODDER IN SUCH SHORT SUPPLY WIDESPREAD SLAUGHTERING NECESSARY, WILL SOVIET GOVERNMENT FOLLOW HUNGARY EXAMPLE AND BUY FEED GRAINS ABROAD, IN ADDITION WHAT FOR SOVIET CONSUMPTION?

5. KHREBCHENOV SAID SOVIET COMRADES STARVED 19-7 WHILE GRAIN BEING EXPORTED, ESPECIALLY TO BUY FOR DEFENSE MACHINERY AND OTHER CAPITAL GOODS. COULD SITUATION BECOME THAT SERIOUS THIS YEAR? HAS OR WILL SOVIET GOVERNMENT PUT MORATORIUM ON ALL FOOD EXPORTS ABROAD, OR WILL IT CONTINUE SELF FOOD EASTERN EUROPE AND CUBA AS IN PAST YEARS WHETHER HARVEST GOOD OR BAD?

6. WESTERN PRESS (REUTERS VIENNA 16 NOV) REPORTED SOVIET GOVERNMENT COMRADES REFUSED LOAD BUTTER FOR CUBA. HAVE CUBA GOVERNMENT BEEN SUPPLIED? KHREBCHENOV SAID CUBAN SUPPLIES DOWN THIS YEAR IN VIEW. STATE USUR NORMALLY BUYS CUBAN

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WILL THE SOVIET BE OBLIGED CONTINUE FOOD SHIPMENTS CUBA IN EXCHANGE REGARDLESS  
OF THE STATE OF CUBA? WILL THESE SHIPMENTS CONTINUE OR WILL GOODS BE RETURNED  
FOR NEW AGRICULTURAL EFFORT?

THE NEW CHEMICAL PROGRAM WILL BE TREMENDOUS DRAIN ON SOVIET ECONOMY.  
WILL THE INVESTMENT BE FINANCED BY MASSIVE SOVIET MILITARY FORCE OR BLACKING  
ECONOMIC GROWTH. THEREFORE WILL NOT CONSUMPTION SECTOR BEAR BURDEN THIS INVEST-  
MENT? WILL INVESTMENT PROGRAM (FERTILIZER, PESTICIDES, HERBICIDES) LARGELY  
AFFECT FOOD AND FIBER INDUSTRIES, AND INVESTMENT EXPENDITURE OF INCREASING FOOD AND  
CLOTHING PRODUCTION THROUGH CHEMICAL PROGRAM, WILL NOT MOST OF WHICH INVESTMENT  
FALL ON HOUSING, ONLY LITTLE CONSUMPTION SECTOR REMAINING. WILL NOT HOUSING  
CONSTRUCTION BE CUT SHARPLY OR ALMOST HALTED? BESIDES WILL NOT HOUSING PROBLEM  
BE INTENSIFIED BY DEFILIX WORKERS TO MAN NEW CHEMICAL FACTORIES, MANY OF WHICH  
IN AREAS WHERE LITTLE HOUSING NOW AVAILABLE?

8. IS KHRUSHCHEV DEMAND FOR CREDIT FROM WEST TO FINANCE INVESTMENT PROGRAM  
INDICATION SOVIET GOLD RESERVES AT HIGHER LEVELS? IS THERE EFFORT IMPROVE PRESENT  
MINING METHODS OR FIND NEW GOLD DEPOSITS TO PAY FOR MASSIVE IMPORTS?

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10. IF USSR RECEIVES LONG TERM CREDITS FROM WEST FOR CHEMICAL PROGRAM AND  
OTHERS. WHAT MEASURES BE TAKEN PAY BACK LOANS? WILL INTERESTS BE SOUGHT,  
OR IS THERE OTHER RELATION AT HAND?

11. PRIVATE PLOTS OF FARM WORKERS MOST PRODUCTIVE THAN SOVIET AGRICULTURE,  
AND ADDITIONAL INCREASES WOULD RESULT LARGER GAIN FOOD OUTPUT. WILL  
ANY MEASURES BE TAKEN TO HOLD PEASANTS FOR USE OF PLOTS?

12. SOVIET GOVERNMENT MUST REALIZE FROM REP PERIOD AND WISDOM MODERNITY,  
FROM EXAMPLE OF PEASANT PRIVATE PLOTS SINCE 1930s THAT GIVING LAND TO PEASANTS  
WOULD BE MOST EFFECTIVE WAY INCREASE FOOD FOR SOVIET POPULATION. PEASANTS  
POLITICAL DISAFFECTION IS NOT ANOTHER REASON THIS NOT BEING DONE YEAR OF  
SINCE 1930s. REASON SUCH AS DISRUPTED REP PERIOD, THAT INFLATION WOULD  
RESULT FROM OVERPRODUCTION ON FARMS, FOR WHICH NO CONSUMER GOODS TO EXCHANGE. IS  
NOT SUFFICIENT ADMINISTRATION AND POOR PEASANTRY ONE MAY HOLD DOWN DEMAND FOR CONSUMERS  
GOODS, EVEN IF THEY HAVE SURPLUS, AND TO CONCENTRATE ON MILITARY AND  
INTERNAL PRODUCTION WITHOUT EXCESSIVE INFLATIONARY PRESSURE REGARDLESS  
WHAT THE ADMINISTRATION, WOULD SOVIET GOVERNMENT REALLY WANT PROGRESSIVE PEASANTRY,  
AND TO AVOID MILITARY POWER, FOREIGN ACQUISITION, ECONOMIC GROWTH

13. NUMBER OF ENGINEERS, DOCTORS TOO LOW AND MUST

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13. WHY WASTE AGRICULTURAL WORKER'S LOWEST PAID IN SOVIET UNION. DOES NOT  
CONVINCE ANY BELIEVE THEIR WAGES TOO LOW AND MUST BE INCREASED?  
14. PHYSICAL THROUGH LATEST IN LONG SERIES PARADES, INCLUDING NEW LANDS,  
AND MACHINES, PLAN TO MATCH UP TO U. S. IN MEAT AND MILK OUTPUT, FALLOW LAND  
PLANT UP IN OILSEED AND OTHERS, ALL OF WHICH FAILED. EACH PROMISED ASSURE  
ASSURANCE IN FUTURE. WILL SOVIET PEOPLE BE WILLING WAIT AGAIN, THIS TIME TILL  
1970, WHILE LATEST PARADES TESTED, OR THEIR PATIENCE AND HOPE EXHAUSTED? DO  
THEY BELIEVE GOVERNMENT SERIOUS IN PUTTING FORTH PROGRAM, OR THEY THINK IT JUST  
ANOTHER ATTEMPT BY NEGATIVE GAIN TIME IN HOPE PROBLEMS SOMEHOW DISAPPEAR?

14. MUCH OF SOVIET UNION TOO DRY FOR EFFECTIVE FERTILIZER UTILIZATION,  
ESPECIALLY GRAIN AREAS. WILL CONCOMITANT INVESTMENT IRRIGATION BE MADE SO  
FERTILIZER, IF AND MILK PRODUCED, BE EFFECTIVELY USED? WHERE WILL INVESTMENT  
FUNDS FOR THIS COME FROM?

15. IN PLENUM SPEECH KHRUSHCHEV ONCE MORE REFERRED TO LYSINSKY AS EXAMPLE  
SCIENTIFIC PRACTITIONER. DOES THIS MEAN LYSINSKY AND HIS THEORIES, COMPLETELY  
DISCREDITED BY AGRICULTURAL SCIENTISTS EVERYWHERE OUTSIDE BLOC, COULD HAVE

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GREAT INCIDENTS IN SOVIET AGRICULTURE EVEN IN TIME OF CRISIS?

IS THERE ANY WAY SHOULD BE DEVISED BY THOSE WHOSE KNOWLEDGE INCLUDES LIBERABLE MATTER AT PLASUNTE OED, FACILLAR TYOICIEV.

END OF MESSAGE

[REDACTED]

IN DRAFT:

- (CR/CY - Mr. Tansout [REDACTED])
- (CR/OS - Mr. [REDACTED])
- (CR/CI - Mr. Hugh Montgomery)
- (SR/RR - Mr. A. S. Valvada)
- (LE - Mr. [REDACTED])
- ([REDACTED] - Mr. Gavin Magill)
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