

SR/c
6406
7 Dec 63

INDEX
 NO INDEX
 FILE IN CS FILE NO.

S-E-C-R-E-T

1	4
2	4
3	4

DIR BELOW
DIRECTOR

33000

DEFERRED	SIG G
ROUTING	

ADDP, CA 2, CA/PEG, CA/PROP, CI, CI/OPS,
CI/IC 2, FI, FI/INT 2, EE 4, WE 4, NE 9, FE 6, WH 7, VR

INFO: SR VR

INFO

CITE DIR

PAV, BUK, STOC, KAMKAPAK, COPE, (SECRET) BOBS
 M TI, LON, BULN, VEEN, GRVA, BERN, AINS
 PROB, FRAN, DWAK, SUNA, TOKY, ANKA, TELL
 NACH, WEND, KAHU, KANI, MELI, BOBE, MORE
 LOND, BRUS, HAO, U, (SECRET)

33000

SS: DIR A-53

1. POLITICAL MATTERS FOR DISCUSSION WITH SOVIETS RE CURRENT USSR ECONOMIC DIFFICULTIES. AS BOUND REF, ITEMS INTENDED AS OPERATIONAL AID FOR ASSESSMENT AND EVALUATION SOVIETS, AND AS MEANS HOW DOUBT RE REGIMES ABILITY DEAL WITH ECONOMIC PROBLEMS. RECIPIENTS SHOULD NOT MENTION ALL ITEMS SET FORTH ABOVE APPROPRIATE FOR OWN USE. REPORT SOVIET CONTACTS VIA OSS 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

RELEASING OFFICER

COORDINATING OFFICERS

S-E-C-R-E-T

GROUP 1
Excluded from automatic
downgrading and
declassification

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

~~15746~~
15746

CLASS :
SUBJ :
EXT :
DATE :

INDEX
 NO INDEX
 FILE IN OR FILE NO.

SECRET

RECEIVED

TO :
FROM : DIRECTOR

CONF : PAGE TWO

DELETED
ROUTINE

10

INFO

CITE NO. 91660

NOVOCENOVICH WHEN MEAT AND MILK PRICES INCREASED

3. NOVOCENOVICH IN PLEKHOV SPEECH SAID GRAIN CROP TWENTY PERCENT BELOW LAST YEAR HAS MEAT SUPPLIES UP. AS RESULT RESULT EXTENSIVE BUSINESS SLAUGHTERING LIVESTOCK IN VIEW SEVERE FODDER SHORTAGE. NOVOCENOVICH 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 WHEAT FOR HUMAN CONSUMPTION?

5. NOVOCENOVICH SAID SOVIET COMRADES STARVED 19-7 WHILE GRAIN BEING EXPORTED, ESPECIALLY TO BUY FOR IMPORTS MACHINERY AND OTHER CAPITAL GOODS. COULD SITUATION BECOME THAT SERIOUS THIS YEAR? HAS OR WILL SOVIET GOVERNMENT PUT RESTRICTION 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 VIRGINIA 16 NOV) REPORTED SOVIET GOVERNMENT CUBA REFUSED LOAD BUTTER FOR CUBA. HAVE CUBA GOVERNMENT BEEN STOPPED? NOVOCENOVICH SAID CUBAN SUPPLIES DOWN THIS YEAR IN VIEW. STATE CUBA NORMALLY BUYS CUBAN

COORDINATING OFFICERS

SECRET

RECEIVED

OFFICERS

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED

Case No.

#15746

INDEX
 NO INDEX
 FILE IN CS FILE NO.

SECRET

DEFERRED
ROUTINE

CITE DIR 91660

WILL THE U.S. BE ABLE TO OBTAIN CONTINUE FOOD SHIPMENTS CUBA IN EXCHANGE REGARDLESS
OF THE STATE OF CUBA? WILL THESE SHIPMENTS CONTINUE OR WILL GOODS BE REQUIRED
FOR NEW AGRICULTURAL EFFORT?

THE NEW CHEMICAL PROGRAM WILL BE TROUBEDOUS DRAIN ON SOVIET ECONOMY.
WILL THE U.S. BE ABLE TO OBTAIN CONTINUE FOOD SHIPMENTS CUBA IN EXCHANGE REGARDLESS
OF THE STATE OF CUBA? WILL THESE SHIPMENTS CONTINUE OR WILL GOODS BE REQUIRED
FOR NEW AGRICULTURAL EFFORT?

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?

RELEASING OFFICER

CODED FLYING OFFICERS

SECRET

GROUP 1
Excluded from automatic
downgrading and
declassification

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy 7 of 10

#15746

R-OK
 NO INDEX
 FILE IN CE FILE NO.

SECRET		ROUTINE
1	2	3
4	5	6

DIRECTOR

PAGE FOUR

DEFERRED
ROUTINE

CITE IN

91660

10. IF USSR RECEIVES LONG TERM CREDITS FROM WEST FOR CHEMICAL PROGRAM AND
OTHERS. WHAT MEASURES BE TAKEN PAY BACK LOANS? WILL INTERESTS BE SOONER,
OR IS THERE OTHER SOLUTION 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 ON PLOTS?

12. SOVIET GOVERNMENT MUST REALIZE FROM REP PERIOD AND RECENT HORRORS,
FROM EXAMPLE OF TREATY STATES PLOTS SINCE 1930s THAT GIVING LAND TO PEASANTS
WOULD BE MOST EFFECTIVE WAY TO INCREASE FOOD FOR SOVIET POPULATION. FINANCIAL
POLITICAL DISARRANGEMENT IS NOT ANOTHER REASON THIS NOT BEING DONE YEAR OF
RECENT HORRORS. REASONS SUCH AS EXCESSIVE REP PERIOD, THAT REPERIOD WOULD
RESULT FROM OVERPRODUCTION ON FARMS, FOR WHICH NO CONSUMERS GOODS TO EXCHANGE IS
NOT SOUND ADMINISTRATIVE AND INCH PEASANTRY ONE MAY HOLD DOWN DEMAND FOR CONSUMERS
GOODS, WHICH WOULD IN VERY SHORT ORDER, AND TO CONCENTRATE ON MILITARY AND
INTERNAL PRODUCTION WOULD BE PROGRESSIVE INFLATIONARY PRESSURE REGARDLESS
WHAT THE ADMINISTRATION, WOULD SOVIET GOVERNMENT REALLY WANT PROGRESSIVE PEASANTRY,
AND TO INCREASE MILITARY POWER, FOREIGN ACQUISITION, ECONOMIC GROWTH

13. USSR HAS TOO FEW ENGINEERS TRAINING AND DOCTORS TOO LOW AND MUST

FOR OFFICIAL USE ONLY

GROUP 1
Excluded from automatic
downgrading and
declassification

ADMINISTRATIVE
OFFICER

#15746

INDEX
 NO INDEX
 FILE IN CS FILE NO.

DATE
ROUTED

PAGE FIVE

DEFERRED
ROUTINE

CITY DIA 91640

13. MY BASE: AGRICULTURAL WORKERS LOWEST PAID IN SOVIET UNION. DOES NOT BELIEVE AND BELIEVES THEIR WAGES TOO LOW AND MUST BE INCREASED:

14. AGRICULTURAL THROUGH LATEST IN LONG SERIES PARADES, INCLUDING NEW LANDS, COLLECTIVE FARM IN STATE 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 LYSENKO AS EXAMPLE SCIENTIFIC PRACTITIONER. DOES THIS MEAN LYSENKO AND HIS THEORIES, COMPLETELY DISCREDITED BY AGRICULTURAL SCIENTISTS EVERYWHERE OUTSIDE BLOC, CONTINUE HAVE

RELEASING OFFICER

COORDINATING OFFICERS
SECRET

GROUP 1
Excluded from automatic
downgrading and
declassification

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

#15746

DATE

CLASSIFICATION

TO : DIRECTOR

PAGE SIX

DEFERRED
ROUTINE

GREAT IMPROVEMENTS IN SOVIET AGRICULTURE SEEN IN TIME OF CRISIS?

THEY WOULD BE SEEN ONLY BY THOSE WHOSE KNOWLEDGE INCLUDES LIBERABLE MATTER AT PLausible ONE, FACILITATE TYOICREV.

END OF MESSAGE

IN DRAFT:

- (CER/CY - Mr. Tarrant England)
- (CER/OS - Mr. James Dawson)
- (CER/CI - Mr. Hugh Montgomery)
- (SR/RR - Mr. A. S. Valvada)
- (LE - Mr. George Allan)
- (M - Mr. Gavin Magill)
- (M - Mr. Paul P. Paxton)
- (VE - Mr. Tom Chiele)
- (W - Mr. Walter L. O'Brien)
- (W - Mr. [unclear])

Handwritten signature or initials

Stamp: RECEIVED

Stamp: GROUP 1

Stamp: CER/CA AUTHENTICATING OFFICES

#15746