

CIA Crop Forecasts Higher Than USDA's

By Dan Morgan

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The Central Intelligence Agency last month issued a confidential forecast of the Soviet Union's 1975 grain crop that was "somewhat higher" than the public estimates released by the Department of Agriculture.

The existence of a CIA crop reporting service, the predictions of which often differ from those of the Department of Agriculture, was confirmed this week by officials of both agencies.

According to an Agriculture Department official, who declined to reveal the exact CIA predictions, the intelligence agency's final estimate of the size of last year's Soviet grain crop "was closer (to the actual production) than we were."

In 1974, the Agriculture Department predicted a Soviet grain crop of 200 million tons, 5 million off the actual production of 195 million tons.

The estimates of the Soviet crop are crucial to all persons who buy and sell grain in this country, including farmers, livestock agents, flour mills and grain companies, because, in recent years, Soviet needs for imported grain have had a direct bearing on prices in the United States. Therefore, the forecasts are a vital early warning system that helps grain sellers and users prepare for future shifts in prices.

Agriculture Secretary Earl L. Butz yesterday confirmed that private American traders have been discussing possible deals in Moscow and keeping the agriculture agency posted. He said his "outside estimate" of new Soviet purchases was 10 million metric tons of feed-grains and wheat.

According to one Agriculture Department source, who asked not to be identified, "Agriculture has been considered the weakest link in the Soviet economy and it could determine what course of action the Soviet Union would take in international affairs."

The status of foreign crops "is one of the areas that the CIA has been interested in for quite a period of time," the official said.

Last August, the CIA issued a report on the "potential implications of trends in world population, food production and climate," which said that if the trend toward cooler global weather continued, the Soviet Union and China would experience more of a drop in food output than the United States.

"As custodian of the bulk of the world's exportable grain, the U. S. might regain the primacy in world affairs it held in the immediate post-World War II era," the report said.

It was cited by government officials as an example of the CIA's increasing interest in the national security aspects of food supplies and crops.

Sources said the CIA estimates go to senior policymakers and to Agriculture Department forecasters.

Knowledgeable sources said the CIA's estimates rely heavily on computer analysis based on reports from agents, weather satellites, and other sources.

"The CIA has a completely

different model," said an Agriculture Department source. "They crank data into computers... The method we use is judgment." The Agriculture Department also draws on press articles and its agriculture attaches in embassies abroad.

The Department of Agriculture estimated on June 9 of this year that the Soviet Union would produce 200 million metric tons of wheat, coarse grains and pulses. This week, it revised the estimate down-

ward to 195 million tons, the same as in 1974.

A CIA spokesman said the agency is now "massaging data" and will issue an updated forecast soon.

There has been severe drought in the Eastern Ukraine and southern Volga River areas. An Agriculture Department team which recently returned from inspecting five Soviet provinces, said corn in some places was in such poor condition it could only be used as silage.