

U. S. CHALLENGED ON ARMS ESTIMATE

MAR 8 1976

Proxmire and Aspin Charge
Administration Exaggerates
Soviet Military Outlay

NYTimes

By JOHN W. FINNEY

Special to The New York Times

WASHINGTON, March 7 —

The Administration's contention that the Soviet Union is outspending the United States on defense is being challenged by Representative Les Aspin and Senator William Proxmire, who charge that the Administration is distorting and exaggerating intelligence estimates of the Soviet military budget.

As debate on the defense budget nears a decisive point in Congress, the two Democrats from Wisconsin are attempting to rebut an Administration argument that has had considerable impact upon Congressional committees. The House Armed Services Committee this week is expected to approve a defense program somewhat larger than requested by the Administration.

In justifying \$112 billion in defense appropriations for the coming fiscal year, the Administration has relied heavily upon Central Intelligence Agency estimates showing that in terms of dollar-cost the Soviet Union is outspending the United States on defense by about 40 percent.

Method Criticized

Representative Aspin and Senator Proxmire maintain that the method used by the C.I.A. to compare the defense budgets tends to overstate the size of the Soviet program. Also, Senator Proxmire complained in a Senate speech Friday that Administration officials have "misused the information" in the intelligence estimates "to exaggerate the size of the Soviet military or to create illusions of gaps between Soviet and United States forces."

In comparing the defense programs, the C.I.A. attempts to calculate in dollars how much it would cost the United States to duplicate the Soviet military establishment. The C.I.A. acknowledged in its latest estimate that such a dollar-cost calculation tended to overstate the size of the Soviet program, but it maintained that "the degree of overstatement is clearly not large enough to alter the basic conclusion that the Soviet military program over-all is currently significantly larger than that of the United States."

A principal objection raised by Representative Aspin and Senator Proxmire was that the cost of the 4.5 million-man Soviet military establishment was being calculated on the basis of the much higher pay scales of the United States.

"Using this methodology," Mr. Aspin wrote in an article published today in Foreign Policy magazine, "the largest single reason that Soviet defense spending exceeds our own has been the American decision to switch to an all-volunteer army and to pay its servicemen civilian-level wages.

Absurd Calculation

"The absurdity of this calculation then becomes clear: If the United States were to shave its military pay scales, Soviet defense spending would fall."

Mr. Aspin also objected in an interview that in its comparisons the Administration was leaving out the defense spending of United States allies in the North Atlantic.

Using figures given to him by the Defense Intelligence Agency and the C.I.A.'s dollar-cost comparison methods, he calculated that the NATO allies were spending \$140 billion on defense compared with \$121 billion by the Warsaw Pact.

The Administration's figures show the Soviet Union spending \$114 billion and the United States \$80 billion in 1974.

Mr. Aspin also complained that in citing figures showing that the Soviet Union was outproducing the United States in weapons, Defense Department officials were using a production period of 1972-74 that resulted in an "upward bias" in favor of the Soviet Union.

'Our Number Going Up'

If more recent production figures were used, he said, it would show that "our numbers are going up while those of the Soviets are going down." Figures supplied by the Defense Intelligence Agency, for example, showed that in 1975 Soviet production of tanks and armored personnel carriers declined significantly from the 1972-74 level, he said.

The Administration has also emphasized that in noninflationary terms the Soviet defense program has been growing an annual rate of 2.7 percent for the last decade, while the United States defense effort until last year had been declining by about 1 percent annually since 1968. Mr. Aspin responded that not all the increases in the Soviet defense effort directly threatened the United States.

Using figures from the C.I.A. and the Defense Intelligence Agency, Mr. Aspin calculated that much of the expansion in Soviet military spending was related to China, air defenses and an increase in internal security forces and that only about half of the annual growth was "threatening to America."