

## SUMMARY OF INTERVIEW

**Subject:** Vitalii V. Shlykov  
**Position:** Deputy Chairman, Russian Soviet Federated Socialist Republic State Committee on Defense  
**Location:** Moscow  
**Interviewer:** John G. Hines  
**Date:** April 29, 1991  
**Language:** Russian  
**Prepared by:** John G. Hines, based on notes

- The republics control revenue flows to the center.
- The 1991 defense budget was originally R65 billion but was increased in December to R96 billion to offset inflation (estimated at 54%).
- The RSFSR (Russian Soviet Federated Socialist Republic) seeks to separate military from civilian production.
- The RSFSR State Committee on Defense and Security had 250 military officers (working for Kobets) plus 50 civilians (handling KGB matters).
- Kobets is still serving in the Armed Forces.

The VPK [military-industrial complex in this case] gets special treatment: subsidies for heat and raw materials; and guaranteed deliveries (the biggest form of subsidy). The guaranteed deliveries and subsidies will be cut off.

The RSFSR will not pay for a single additional weapon. Minister of Defense Iazov himself said "no more tanks, no more weapons of the current generation, but we can't destroy the ones we have."

Iazov is ready to cancel the Buran and Energia space programs because they do not help the military. Subsidies to both military and civilian space programs will end.

The republics gave only R200 billion of the R600 billion they owe the center. They are holding out until the Union Treaty is settled and control over military production is transferred to the MoD. Ideally the MoD should act as a consumer by ordering weapons, and design bureaus should compete for orders.

Currently there is a major fight over the budget to develop an industrial mobilization base. [Soviet Deputy Minister of Defense General-Colonel Krivosheev] claims that the U.S. has long had a huge industrial mobilization capacity and can produce 50,000 tanks and 50 SSBNs per year within a few months of starting mobilization. The Federal Emergency Management Agency (FEMA) is supposedly in charge of U.S. industrial mobilization plans. Most Soviets really believe this.