their present procurement of new technology on a massive scale from the advanced industrial countries. It is only fair to say, of course that the private Western firms are equally interested in the consummation of the large export transactions to the Communist bloc. We may be sure, however, that it is not the profit-motivated commercial interest of the Western firms that is decisive in this case. If the Western desire to export were the only factor present, the Soviet authorities, we may be quite certain, would not hesitate for one moment to turn off the tap anytime it suited their purpose. What is in evidence at present, however, is a fairly stable interest on the part of the Moscow leadership in keeping the doors open to this category of seminal imports from the West, and in supporting this inflow, wherever possible, with the aid of large credits extended by the exporting firms. This long-range interest represents something of a new element in the situation. The systematic intake of Western technology represents a major factor in the new economic means employed by the Soviet hierarchy in planning its latest strategy for winning the economic competition against capitalism.

In the course of his long discussion of the weaknesses of the Soviet chemical industry, made public in May 1958, Chairman Khrushchev gave public expression to the notion of sustaining the competition against the West on the basis of appropriating Western equipment and production ideas through a carefully selected import campaign. Such an import campaign, he argued, "would bring about a more rapid fulfillment of our program for the construction of new chemical enterprises without wasting time on the creation of designs and mastering the process of production of new types of equipment." [1]

The same theme has been taken up more recently by Deputy Premier Mikoyan. In October 1961, in his speech to the XXII Party Congress, he served notice that the technique of selective importation of prototypes of newly developed equipment from the West will continue to be employed for the purpose of saving the Soviet Government the high cost of innovation in nonmilitary fields of technology. This approach, in other words, has become settled Soviet policy in recent years. Mikoyan's summation of this policy, which may sound rather cryptic to the foreign reader but is abundantly clear to his initiated audience, reads as follows:

> It will be necessary to make wide use of foreign trade as a factor for economizing in current production expenditures and in capital investment, with the aim of accelerating the development of corresponding branches.[2]

The fact that the importation of Western equipment has been acknowledged by the regime to represent a contribution of tremendous and continuing value to the Soviet economy, needs to be given serious consideration in our future commercial approach to the Soviet bloc in general and the U.S.S.R. in particular.

Some appreciation of the rising tempo at which the Soviet Union has recently turned to non-Communist markets to help meet the needs of a lagging industry is provided by the example of the chemical industry. As may be seen below, Soviet imports of equipment, including whole plants, for its chemical industry from the free world have expanded sevenfold within the past 2 years:

[1] Pravda, May 7, 1958.
[2] Ibid, Oct. 22, 1961.