

*Office Memorandum* • UNITED STATES GOVERNMENT

TO : Chief, Industrial Division, ORR

FROM : Chief, Producers' Equipment Branch, ORR

SUBJECT: Monthly Report for November 1958.

DATE: 1 December 1958

1. Status of Branch Projects

- a. Project No. 32.2115, Participation of the Soviet Rolling Stock Industry in the Guided Missile Program, Analyst: [REDACTED] 25X1A9a  
Major effort on this to begin during December. Research to date has produced no leads on installations engaged in either design or production of rolling stock for the Guided Missile program.
- b. Project No. 32.2119, Recent Developments in the Automotive Industry of the USSR, Analyst: [REDACTED] 25X1A9a  
Work on this to be resumed when analyst finishes revisions to motor vehicle trade paper and statistical analysis of motor vehicle production.
- c. Project No. 32.2120, Recent Developments in Trade of Motor Vehicles and Tractors, Analyst: [REDACTED] 25X1A9a  
Analyst making final revisions to paper. Will be resubmitted to D/T by 15 December. 25X1A9a
- d. Project No. 32.2363, Soviet Personalities Involved in Atomic Energy Compressor Work, Analyst: [REDACTED] 25X1A9a  
Research to be resumed in January after completion of USSR NIS and CHICOM NIE.
- e. Project No. 32.2364, Production of Large Gas Turbines, Steam Turbines and Hydroturbines in the Sino-Soviet Bloc, Analyst: [REDACTED] 25X1A9a  
Analyst will begin work on this after completion of USSR NIS and CHICOM NIE, probably in February 1959.
- f. Project No. 32.2365, The Motor Vehicle and Tractor Industries of the European Satellites, Analyst: [REDACTED] 25X1A9a  
Work to begin on this after analyst has completed CHICOM NIE.
- g. Project No. 32.2366, The Construction Equipment Industry of the USSR, Analyst: [REDACTED] 25X1A9a  
Further work on this postponed until after USSR NIS and CHICOM NIE, probably in mid-January.

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h. Project No. 32.2367, Oilfield Equipment in the USSR. No analyst available to work on this.

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i. Project No. 32.2368, Production of Petroleum Refining Equipment in the USSR, Analyst: [REDACTED] Cancellation will be proposed.

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j. Project No. 32.620, Statistical Analysis of Production of Motor Vehicles in the USSR, Analyst: [REDACTED] Revision almost completed. 1957 markings data is being added. Completed manuscript will then be sent to St/FM for another round of coordination.

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k. Project No. 32.883, Soviet Locomotive Industry, Analyst: [REDACTED] At the printer's.

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l. Project No. 34.1558, Production of Chemical Equipment in the USSR, Analyst: [REDACTED] Being revised. Will probably be submitted to Chief, D/I by the end of December, we hope.

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m. Project No. 34.1927, Production of Metal Cutting Machine Tools in the European Satellites, Analyst: [REDACTED] Research will be commenced after completion of USSR NIS and CHICOM NIE, probably in February.

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n. Project No. 34.1931, Production of Chemical Equipment in Czechoslovakia, Analyst: [REDACTED] Statistical review completed; now in St/PB for editing.

## 2. Status of Support Projects

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a. Project No. 30.1830, NIS 13A, East Germany, Section 64, Manufacturing and Construction. All contributions submitted to D/I except for electrical equipment. [REDACTED] is now melding the contributions from I/EE with his own to obtain a final draft. His first draft, reviewed by branch chief before the arrival of I/EE contributions, reflected careful research and good writing.

b. Project No. 30.1826, USSR NIS. Contributions on bearings, chemical equipment and locomotives and rolling stock have been completed, reviewed by branch chief and are being typed. The remainder will be completed during December.

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3. Relationships with Other Components

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25X1X1 a. Information found in a Soviet handbook of tractor parts published in 1956 indicated that "Byelorus" tractors, in addition to being manufactured at the Minsk Tractor Plant, were produced [REDACTED]. This proved our contention that these tractors were made in another plant besides Minsk and also helped I/GM in their efforts to identify missile production at Dnepropetrovsk.

25X1A9a b. [REDACTED] prepared a comparable list of US and Soviet truck models and prices for I/ME for use by the Comptroller's Office, OSD. 25X1A9a

c. [REDACTED] provided considerable assistance to ACSI during November on production of Soviet motor vehicles and tractors, including one seven-hour session with the ACSI representative.

25X1A9a d. [REDACTED] prepared a chart of diesel engine models produced in Poland and supplied this, along with other information on production to [REDACTED] of the Economic Warfare Section, OSD, for his use in preparing an appeal against the shipment to Poland of internal grinding machines for grinding fuel injection nozzles for diesel engines.

4. Future Plans

25X1A9a [REDACTED] met with an interagency group at the Department of Commerce on 26 November to consider a proposal for extending US unilateral control in the field of technical data. Apparently the US is considering increased use of the criterion of technological know-how for preventing exports to the Soviet bloc, particularly in the fields of petrochemicals, metalworking equipment and electronics. The chairman of the meeting, Michel George, requested that technical groups be established to prepare lists of items which would meet the criteria for this increased US control. 25X1A9a The CIA representative, [REDACTED], suggested that a preliminary selection be made by members of Commerce and Defense since they cover Free World capabilities, and that specialists from CIA later evaluate the effect that this control might have on the bloc. The Chairman and the BFC representative, however, requested that CIA also participate as much as possible in the initial selection of items since past experience had shown that CIA specialists had considerable knowledge in the area of Free World capabilities. The CIA specialists agreed that they would participate as requested unless

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prevented from doing so by other commitments. [REDACTED] is prepared to participate in the technical sessions. [REDACTED] feels that in his field there is little, if any, fundamental technology in the metalworking equipment field that the Soviets are not already aware of and that he should stay out of these meetings until the preliminary list of items is prepared, and the group is ready to consider the Soviet bloc position on the items. Since he is heavily involved with the USSR NIS, it would be better for us if he could avoid these preliminary meetings. 25X1X7

I understand that [REDACTED] have called for a review of COCOM items in the spring and that CIA is to begin work on the fact sheets. In most cases this will involve only an up-dating of those done last year. As a result of the technical group meetings mentioned above, there will be some new items not previously on the control list, for which new fact sheets will have to be prepared.

We can therefore anticipate that I/PE will have to devote considerable time during the next three or four months to meetings, consultation with S/TD, and some research concerning COCOM matters. Analysts other than [REDACTED] will probably not have to invest much time on this. Baran will have sufficient time to contribute to the program; [REDACTED] will not. It is in the metalworking equipment field, therefore, that the COCOM support will most adversely affect the branch research program. This lends additional force to your suggestion that Tony handle the satellite studies on a country-by-country basis.

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