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## CURRENT SUPPORT MEMORANDUM

FULFILLMENT OF THE SOVIET  
UNION'S FIFTH FIVE-YEAR PLAN

OFFICE OF RESEARCH AND REPORTS

CENTRAL INTELLIGENCE AGENCY

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FULFILLMENT OF THE SOVIET  
UNION'S FIFTH FIVE-YEAR PLAN

The Report on Fulfillment of the Soviet Union's Fifth Five-Year Plan (1951-1955) sharpens the broad lines of a picture of economic development already well known and adds significant new details. It confirms earlier announcements of success in achieving planned five-year rises in national income (actual: 68 percent; plan: 60), industrial production (85 and 70), and retail trade (89 and 70).\* It also confirms earlier announcements of a two-fold rise in foreign trade and fulfillment of the plan for State capital investments. It points up previously announced successes in the fields of ferrous metallurgy, fuel and power, construction materials, machine building and metal-working, rail transport, and housing. It underlines previously announced failures in the fields of nonferrous metals, chemicals, and timber, in certain types of machinery and almost all types of consumer goods, and in agriculture construction, and labor productivity.

The new details which the Report provides take the form largely of fulfillment and growth data disclosed in its description of performance in individual sectors. In industry, according to these disclosures, production goals were met and considerable increases recorded for heavy sheet steel, peat, shale, ocean-going freighters and tankers, precision machine tools, instruments, polished glass, and canned goods.

Production goals were not met, despite considerable increases, in stainless sheet steel, gas, rolling equipment (for steel mills, etc.), steam boilers, hydroturbines, river passenger boats, fishing fleet vessels, special-purpose machine tools, heavy forging and pressing equipment, specialized types of agricultural machinery, and furniture. Timber haulage increased at only one-half the planned rate. Despite general increases in consumer goods output, disappointments in this field appear to have been even more widespread than hitherto revealed. The Report notes and criticizes shortfalls in the output of durables as well as clothing and foodstuffs.

Disclosures relating to agriculture fill out the picture of general underfulfillment drawn by earlier documents and speeches. Wheat production grew 50 percent rather than 55 percent as planned. Potato production, far from achieving its planned 40 percent expansion, actually declined 20 percent. Increases in crop and live-stock yields were generally below target. At the same time, the Report suggests that the remedial programs initiated in 1953-1955 are beginning to have an effect. The fact that the production-increase in grain over the five-year period, which was 29 percent, exceeded the procurement-increase, which was 14 percent, implies partial achievement, at least, of the large increase in live-stock feed envisaged by the New Lands and corn programs. The various programs aimed at increasing the share of total food production for human consumption marketed through State channels apparently achieved some success since procurement-increases exceeded production-increases and the income of collective farms and farmers from sales to the State rose by 170 percent while their income from other sources remained constant.

\* See Appendix A for plan-achievement comparisons and other data relating to selected aggregates, commodities, and services.

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Disclosures relating to transport include fulfillment of five-year goals for expansion of freight turnover by sea and highway carriers, non-fulfillment for river and air carriers and pipelines. The railroads, which earlier had been reported to have fulfilled the freight turnover plan, met the plan for increasing the average daily run for a freight locomotive, but failed to meet the target for decreasing the turnaround time for freight cars. The railroads also failed to meet the plan for reducing the average length of haul which instead actually increased. This failure, however, is more properly attributable to extraneous factors, such as the demands of the New Lands program, rather than to operational deficiencies.

The Report contains new investment information. The State investment volume over the five-year period was 91 percent greater than in the preceding five years. Corresponding percentage increases for the major sectors were as follows: agriculture, 150; industry, almost 100; communal services, 56; health, scientific and cultural institutions, 50; and transportation and communications, 48. The economy as a whole over-fulfilled the plan by one percent, and agriculture almost 20 percent. Transportation and communications, on the other hand, underfulfilled by almost 10 percent, with increases in the carrying capacity of the railroads falling considerably below plan. Industry's increase of only 94 percent (announced earlier by Khrushchev) indicated that it also failed to meet the plan.

The investment failures are traceable in large part to the "considerable shortcomings" noted by the Report in the operation of the construction ministries, which account for most capital construction. Among these shortcomings are slowness in bringing new enterprises into operation, a low level of mechanization, insufficient use of prefabricated units and standard plans, and excessive organizational dispersion.

Housing construction, however, met the plan. Total urban housing constructed over the five years included, besides the previously reported 105 million square meters built under budgetary allocation, 10 million square meters built with the help of the funds of enterprises and other non-centralized means, and 39 million square meters built by the urban population out of their own means and with the aid of state credits.

The Report documents more completely than hitherto the general failure to meet efficiency goals, notably those relating to labor productivity and cost-reduction. Besides repeating already published data on productivity shortfalls in industry and construction, it discloses that productivity on the collective and state farms increased only 37 percent instead of 40 percent as planned, and points to particularly unsatisfactory mining and logging records. Besides reiterating underfulfillment of cost-reduction targets in industry and construction, it identifies the timber, fish and construction materials industries as particularly backwards in this respect. It announces fulfillment, on the other hand, of the cost-reduction plans for the railroad and retail trade nets.

Appendix A presents the more important data contained in the Report, together with such other data from other documents as helps put together the complete picture of claimed Soviet economic achievement in 1955 and growth from 1950 to 1960.

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APPENDIX A

Official USSR Data on Major Economic Aggregates and Output of Selected Commodity and Service Production\*

Category	1955 Level of Achievement a/	1950-60 Growth		
		1955 as % of 1950 Actual a/	Orig. Plan b/	1960 as % of 1955 Plan c/
<u>Major Aggregates</u>				
National Income	NA	168	160	160
Industrial Production	NA	185	170	165
Producer Goods	NA	191	180 d/	170
Machinery and Metalworking	NA	220	200	180
Consumer Goods	NA	176	165 d/	160
Retail Trade Turnover	NA	189	170	150
State Capital Investment	594 billion R	191 f/	190 f/	167 g/
Industry	353 " " h/	194 i/	200 f/	170 j/
Agriculture	60 " " h/	250 f/	210 f/	200 j/
Transportation and Communication	NA	148 f/	163 f/	170 j/
Workers and Employees in the National Economy k/	48.4 million persons	124	115	114 l/
Labor and Productivity	NA	NA	NA	NA
Industry	NA	144	150	150
Construction	NA	145	155	152
Agriculture	NA	137	140	NA m/

\* Figures are official citations or close derivatives thereof.

1955 Level of Achievement a/      1950-60 Growth  
1955 as % of 1950      1960 as % of 1955  
Actual a/ Orig. Plan b/      Plan c/

Category  
OUTPUT OF SELECTED  
BASIC MATERIALS

Ferrous Metallurgy

Pig Iron  
Steel, Crude  
Steel, Rolled  
Heavy Sheet Steel  
Stainless Sheet Steel

Nonferrous Metallurgy

Copper, Refined  
Aluminum  
Lead  
Zinc  
Nickel

Coal

Coal  
Coking Coal  
Peat  
Shale

Petroleum

Crude Petroleum  
Gas

Electric Power

Electric Power

Category	1955 Level of Achievement a/	1950-60 Growth 1955 as % of 1950 Actual a/ Orig. Plan b/	1960 as % of 1955 Plan c/
Pig Iron	33 million metric tons	174	176
Steel, Crude	45 "	166	162
Steel, Rolled	35 "	169	164
Heavy Sheet Steel	NA	188	180
Stainless Sheet Steel	NA	280	310
Copper, Refined	NA	153	190
Aluminum	NA	280	260
Lead	NA	230	270
Zinc	NA	200	250
Nickel	NA	137	153
Coal	391 million metric tons	150	143
Coking Coal	NA "	150	150
Peat	50 "	142	127
Shale	10.8 "	230	230
Crude Petroleum	71 million metric tons	187	185
Gas	10.4 billion m <sup>3</sup>	168	180
Electric Power	170 billion kwh	187	180
Electric Power			188

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Category	1955 Level of Achievement a/	1950-60 Growth		
		1955 as % of 1950 Actual a/	Orig. Plan b/	1960 as % of 1955 Plan c/
<u>Chemicals</u>				
Mineral Fertilizers	million metric ton	175	188	204
Soda Ash	thousand metric ton	192	184	168
Caustic Soda	" "	173	179	177
Synthetic Rubber	NA	168	182	220
<u>Construction Materials</u>				
Cement	million metric ton	220	220	245
Polished Glass	NA	570	400	NA
Slate	million standard tiles	270	260	205
Bricks	billion units	210	230	NA
<u>Timber and Paper Products</u>				
Timber, Haulage of	million cu. meters	128	156	134
Lumber	" "n/	NA	NA	138
Paper	thousand metric ton n/	156	146	146

1950-60 Growth  
 1955 Level of Achievement a/      1955 as % of 1950      1960 as % of 1955  
 Actual a/ Orig. Plan b/      Plan c/

Category

OUTPUT OF SELECTED PRODUCER GOODS

Machine-Tools and Metalworking

	thousand 105 units n/	NA	NA	191
Metalcutting Machine Tools	NA	260	NA	NA
Special-Purpose Metalcutting Machine Tools	NA	200	NA	NA
Precision Machine Tools	13.5thousand n/	NA	NA	191
Forging and Pressing Machines	NA	800	NA	400
Heavy Forging and Pressing Machines	NA	560	NA	400
Operation and Control Instruments	NA	300	NA	NA

Heavy Machinery

	thousand	185	163
Metallurgical Equipment	172 metric ton n/	155	248
Petroleum Equipment	48.4 " "n/	NA	182
Rolling Equipment	NA	200	NA

Electrical Equipment

Steam Boilers	NA	270	NA
Steam Turbines	NA	230	NA
Hydroturbines	1.5 kw cap n/	470	780

Transport Equipment

ML Electric Locomotives	194 units n/	NA	284
ML Freight Cars	34,400 " n/	NA	151
ML Passenger Coaches	1,770 " n/	NA	158

Category	1955 Level of Achievement a/	1950-60 Growth		
		1955 as % of 1950 Actual a/	Orig. Plan b/	1960 as % of 1955 Plan c/

Motor Vehicles

Motor Vehicles	445,000 units	123	120	146
Motorcycles	244,000 "	200	NA	162

Tractors and Agricultural Machinery

Tractors	163,000 units	150	119	197
Grain Combines	47,900 " n/	NA	NA	292
Windrowers	2,500 " n/	NA	NA	2000

Shipbuilding

River Passenger Boats	NA	187	260	NA
Vessels for Fishing Fleet	NA	260	380	NA
Ocean-Going Freighters and Tankers	NA	290	290	130

OUTPUT OF SELECTED CONSUMER GOODS

Textiles and Clothing

Cotton Fabrics	5,900 meters	151	161	123
Woolen Fabrics	251 "	162	154	145
Linen Fabrics	305 " n/	NA	NA	182
Silk Fabrics	526 "	400	NA	204
Leather Footwear	299 million pair	132	155	153



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Category	1955 Level of Achievement a/	1950-60 Growth	
		1955 as % of Actual a/	1960 as % of Plan c/

Consumer Durables

Bicycles	2,900 units	440	NA	147
Radios and TV Sets	4,000 "	370	NA	255
Sewing Machines	1,600 "	320	NA	235
Clocks and Watches	19,700 "	260	NA	171
Refrigerators	151 " n/	NA	NA	420
Washing Machines	86.6 " n/	NA	NA	610

Foodstuffs

Meat	thousand	169	192	178
Fish	thousand tons	156	158	157
Dairy Products o/	"	225	NA	270
Butter	NA	140	172	156
Vegetable Oil	"	143	177	165
Sugar	3,400 "	136	178	191
Canned Goods	3.13 cans n/ billion	210	210	178

OUTPUT OF SELECTED AGRICULTURAL COMMODITIES

Crops

Grain	NA	129	145	NA
Wheat	NA	150	155-165	NA
Corn	NA	200	NA	NA
Flax	NA	149	140-150	135
Sunflower	NA	200	150-160	NA
Sugar Beets	NA	147	165-170	154
Potatoes	NA	80	140-145	185
Vegetables	NA	142	NA	218
Cotton	NA	109	155-165	156

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1950-60 Growth

1955 Level of Achievement a/	1955 as % of 1950		1960 as % of 1955	
	Actual a/	Orig. Plan b/	Plan c/	

Category

Livestock Products

Meat	NA	130	180-190	200
Milk	NA	119	145-150	195
WOOL	NA	142	200-250	182
EGGS	NA	154	600-700	254

OUTPUT OF SELECTED TRANSPORTATION SERVICES

Rail Freight Turnover	969 billion TKM	161	135-140	142
Ocean Freight Turnover	NA	174	155-160	210
River Freight Turnover	NA	147	175-180	180
Road Freight Turnover	NA	210	180-185	200
Pipe-lines	13.8 TKM n/	280	500	600
Air Freight Turnover	NA	185	200	200

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Analyst:

- a/ Report on the Fulfillment of the Fifth Five-Year Plan.
- b/ Directives to the Fifth Five-Year Plan, unless otherwise noted.
- c/ Directives to the Sixth Five-Year Plan, unless otherwise noted.
- d/ Bulganin's Speech of 4 July 55 before Plenum of Central Committee of the Communist Party of the USSR.
- e/ Entire five-year period 1951-55, in 1955 rubles.
- f/ 1951-55 as percentage of 1946-50.
- g/ 1956-60 as percentage of 1951-55.
- h/ Entire five-year period 1951-55, in 1955 rubles. Figure is derived from the planned absolute for 1956-60 and the planned increase for 1956-60 over 1951-55, given by Bulganin in Report to 20th Party Congress on Directives to Sixth Five-Year Plan delivered 21 Feb 56.
- i/ 1951-55 as percentage of 1946-50; source is Khrushchev's Report to the 20th Party Congress.
- j/ 1956-60 as percentage of 1951-55; Bulganin's Report to 20th Party Congress on Directives to Sixth Five-Year Plan, 21 Feb 56.
- k/ Average annual number.
- l/ Derived by dividing 1955 absolute into absolute for 1960 given in Directives to Sixth Five-Year Plan.
- m/ 70 percent for State farms, 100 percent for collective farms.
- n/ Figure is derived from the planned 1960 absolute and the planned increase 1960 over 1955, given in Directives to Sixth Five-Year Plan.
- o/ In milk equivalents.

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