

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: Growth of Industrial Production in the Soviet Union

Volume Author/Editor: G. Warren Nutter assisted by Israel Borenstein and Adam Kaufman

Volume Publisher: Princeton University Press

Volume ISBN: 0-87014-074-4

Volume URL: <http://www.nber.org/books/nutt62-1>

Publication Date: 1962

Chapter Title: Front matter, Growth of Industrial Production in the Soviet Union

Chapter Author: G. Warren Nutter, Israel Borenstein, Adam Kaufman

Chapter URL: <http://www.nber.org/chapters/c1971>

Chapter pages in book: (p. -28 - 0)

Growth of Industrial Production in the Soviet Union

BY

G. WARREN NUTTER

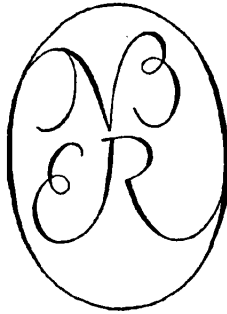
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A STUDY BY THE
NATIONAL BUREAU OF ECONOMIC RESEARCH

PUBLISHED BY
PRINCETON UNIVERSITY PRESS
PRINCETON, NEW JERSEY
1962

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L.C. Card No. 61-12101

Second Printing 1965

Printed in the United States of America

GROWTH OF INDUSTRIAL PRODUCTION
IN THE SOVIET UNION

NATIONAL BUREAU OF ECONOMIC RESEARCH
NUMBER 75, GENERAL SERIES

NATIONAL BUREAU OF ECONOMIC RESEARCH

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This study, one of a series dealing with Soviet economic growth, was made possible by funds granted by the Rockefeller Foundation. The Rockefeller Foundation is, however, not to be understood as approving or disapproving by virtue of its grant any of the statements made or views expressed herein

To Jane, my wife
For her sympathy and understanding

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Contents

PREFACE	xxv
1. INTRODUCTION	3
A Sketch of Developments	3
Which Period to Study	4
Periods and Subperiods	7
Nature and Plan of the Study	8
2. THE DATA: KNOWN AND UNKNOWN	11
Introductory Remarks	11
General Characteristics of Soviet Statistics	13
The Statistical System: A Brief Summary	18
Evidence on Reliability of Data	26
Introductory Remarks	26
Misreporting	28
Deficiencies and Distortions in Published Data	37
Internal Evidence on Reliability	45
Some Generalizations About Soviet Data	50
3. THE PRODUCT MIX: COMPOSITION, QUALITY, AND VARIETY	52
Qualitative Changes in the Short Run	54
Qualitative Changes in the Long Run	61
Examples of Improving Quality	63
Examples of Unchanging or Worsening Quality	64
Notes on Product Mix	74
Industrial Materials	75
Machinery	76
Consumer Goods	80
Concluding Remarks	82
4. GROWTH TRENDS: A SAMPLE OF INDUSTRIES	84
Trends over the Soviet Period as a Whole	86
Trends over the Pre-Plan and Plan Years	95
Retardation in Growth	105
Concluding Remarks	106
5. AGGREGATIVE GROWTH TRENDS: MEASUREMENT	108
The Index Number Problem	108
General Description of Our Indexes	112

CONTENTS

Details on Weights and Weighting Systems	120
Derivation	120
Weights and Costs of Production	121
Direct and Imputed Weights	123
Gross and Net Weights	126
Weight Bases	127
Adequacy of Employment Weights	130
Weights from United States Industry	131
Details on Product Coverage	133
Fixed and Varying Coverage	133
Narrow and Broad Scope of Indexes	135
Machinery and Equipment	139
Military Products	148
Comparison of Our Production Indexes with Others	152
The Official Soviet Index	152
Indexes by Western Scholars	157
Concluding Remarks	161
6. AGGREGATIVE GROWTH TRENDS: ANALYSIS	162
Trends in Production	162
Variations in Growth Rates over Time	162
Industrial Structure of Growth Rates	164
Industrial Growth and Territorial Expansion	167
Industrial Growth and Population	168
Trends in Labor Productivity	170
Growth in Industrial Employment	170
Growth in Output per Unit of Labor	173
Comparison of Our Estimates with Others	176
Concluding Remarks	182
7. SOME DETAILS OF GROWTH	184
The Pre-Plan Period	184
The First and Second Five Year Plans	187
Disappearance of Small-Scale Industry	187
General Economic Developments	195
Output of Machinery	202
Growth Cycles	204
Success in Meeting Goals of Five Year Plans	205
The Third Five Year Plan	206
General Economic Developments	208
The Mobilization Effort	209

CONTENTS

Postwar Industrial Developments	213
Extent of War Damage	213
Recovery of Industrial Production, 1945-1950	216
Postwar Growth, 1950-1955	220
The Years Since 1955	222
8. INDUSTRIAL GROWTH: A COMPARISON WITH THE UNITED STATES	225
Contemporaneous Growth	226
Production	226
Production and Population	230
Production and Employment	232
Comparative Levels of Production, Population, and Employment	237
Some Structural Comparisons	242
Comparable Growth	256
Concluding Remarks	266
Annex: Soviet Lags in Industrial Output Behind the United States	271
9. SUMMARY	283
Soviet Industrial Growth	285
Growth in Output	285
Growth in Output and Employment	287
Growth in Output and Population	288
Industrial Growth Compared: Soviet Union and United States	288
Contemporaneous Growth	288
Comparable Growth	291
Concluding Remarks	292
APPENDIXES	
A. TECHNICAL NOTES	295
1 (Chapter 2): Indicators of the Quality of Cotton Fabrics	295
2 (Chapter 4): The Fixed Sample of Seventy Soviet Industries	299
3 (Chapters 5-7): NBER Indexes of Soviet Industrial Production	299
Annex: Military Data Published in 1960	327

CONTENTS

4 (Chapter 5): Hodgman and Hodgman-NBER Indexes of Soviet Industrial Production	328
Annex: Kaplan-Moorsteen Index of Soviet Industrial Production	337
5 (Chapter 5): Indexes of Soviet Industrial Prices	340
6 (Chapter 6): Indexes of Industrial Production in Pre-revolutionary Russia	343
7 (Chapter 6): Basic Data on Soviet Labor Productivity	345
8 (Chapter 7): Economic Aid and Reparations Received by the Soviet Union After World War II	351
9 (Chapter 8): Basic Data for Comparisons Between the United States and the Soviet Union	354
10 (Chapter 7): Basic Data on Fulfillment of Five Year Plans	396
B. OUTPUT SERIES	403
General Note	403
List of Output Series	403
Output Series	411
C. EMPLOYMENT, VALUE, AND POPULATION DATA	497
D. PRODUCTION INDEXES AND WEIGHTS	421
E. OUTPUT DATA FOR THE UNITED STATES	581
F. OFFICIAL SOVIET DATA ON INDUSTRIAL PRODUCTION	615
Major Categories of Gross Production	615
Role of Turnover Taxes	624
Net Production	625
Industrial Production Account for 1955 in Current Rubles	625
Data in "Constant" Prices	627
Early Data on Machinery	631
Annex: Data Published in 1960	631
BIBLIOGRAPHY	635
INDEX	687

Tables

1. Output for 1940 and Planned Output for 1941: Soviet Union, 119 Industries	35
2. Frequency Distribution of Planned Output for 1941 as a Percentage of Actual Output in 1940: Soviet Union, 119 Industries	38
3. Frequency Distributions of Annual Relatives of Physical Output for Three Samples of Industries: Soviet Union, 1949–1955	47
4. Frequency Distributions of Annual Relatives of Physical Output of Industries in Federal Reserve Board Index of Industrial Production: United States, 1948–1953	49
5. Composition of Soviet Fish Products, Selected Years	68
6. Indexes of Soviet Yarn Number and Thread Count for Cotton Fabrics, Selected Years	72
7. Composition of Soviet Woolen and Worsted Fabrics, Selected Years	74
8. Growth Trends for Fixed Sample of Soviet Industries, 1913–1955	85
9. Growth Trends for Twenty-Three Industries in the Tsarist and Soviet Periods	90
10. Relation Between Growth Rate for 1913–1955 and “Stage of Development” in 1913, Forty-Eight Soviet Industries	94
11. Growth Trends for Fixed Sample of Soviet Industries, 1913–1928 and 1928–1955	96
12. Relation Between Growth Rate for 1928–1955 and “Stage of Development” in 1928, Forty-Eight Soviet Industries	104
13. Movements in Growth Rates for Individual Soviet Industries, Various Periods	105
14. Movements in Growth Rates for Fixed Sample of Soviet Industries, by Industrial Group: 1928–1940 to 1940–1955 and 1928–1937 to 1950–1955	106
15. Construction of Hypothetical Production Indexes	110
16. Indexes of Industrial Production: Soviet Union, Benchmark Years, 1913–1955	113
17. Indexes of Production for Industrial Groups: Soviet Union, Benchmark Years, 1913–1955	114
18. Production of Intermediate Industrial Products as Represented by Two Different Types of Indexes: Soviet Union, Selected Years	127
19. Effect of Weight Base on Production Indexes for Soviet Industry and Industrial Groups	128

TABLES

20. Comparison of Production Indexes for Soviet Civilian Industrial Products: 1928 Value-Added and Employment Weights, Selected Years, 1913-1955	131
21. Comparison of Production Indexes for Soviet Industrial Materials: Soviet and U.S. Weights, Benchmark Years, 1913-1955	132
22. Product Coverage of Indexes of Soviet Industrial Production	134
23. Effect of Product Coverage on Production Index for Soviet Industrial Materials	134
24. Comparison of Moving-Weight Indexes of Industrial Production with Differing Scope: Soviet Union, Benchmark Years, 1913-1955	136
25. Comparison of Moving-Weight Indexes of Industrial Production with Differing Scope: United States, Benchmark Years, 1913-1955	137
26. Data on Production of Metalworking Machine Tools: United States, 1939, 1947, and 1954	142
27. Comparison of Production Indexes for Machine Tools and Related Products: United States, 1939, 1947, and 1954	143
28. Moving-Weight Production Indexes for Civilian Industrial Products with Differing Product Coverage for Machinery and Equipment: Soviet Union, Benchmark Years, 1913-1955	144
29. Comparison of NBER and Other Western Production Indexes for Civilian Machinery and Equipment: Soviet Union, Benchmark Years, 1928-1955	146
30. Production Indexes Adjusted for Estimated Military Production: Soviet Union, Benchmark Years, 1913-1955	150
31. Comparison of NBER and Other Western Estimates of Military Production: Soviet Union, Benchmark Years, 1933-1955	151
32. Comparison of NBER and Official Soviet Indexes of Industrial Production: Soviet Union, Benchmark Years, 1913-1955	155
33. Comparison of NBER and Other Western Indexes of Industrial Production: Soviet Union, Benchmark Years, 1928-1955	158
34. Comparison of NBER and Hodgman Indexes of Industrial Production: Soviet Union, Benchmark Years, 1928-1950	160
35. Average Annual Growth Rates of Industrial Production: Soviet Union, Selected Periods, 1913-1955	163
36. Indexes of Industrial Production: Tsarist Russia, Benchmark Years, 1860-1913	164
37. Average Annual Growth Rates of Industrial Production, by Industrial Group: Soviet Union, Selected Periods, 1913-1955	165

TABLES

38. Average Annual Growth Rates of Industrial Production Adjusted for Territorial Expansion and Population Growth: Soviet Union, Selected Periods, 1913–1955	169
39. Indexes of Industrial Employment, by Industrial Group: Soviet Union, Benchmark Years, 1913–1955	171
40. Indexes of Industrial Output per Unit of Labor, by Industrial Group: Soviet Union, Benchmark Years, 1913–1955	172
41. Average Annual Growth Rates of Industrial Output per Unit of Labor, by Industrial Group: Soviet Union, Benchmark Years, 1913–1955	175
42. Comparison of NBER and Hodgman Indexes of Soviet Industrial Output per Unit of Labor, Benchmark Years, 1928–1950	177
43. Comparison of NBER and Hodgman Indexes of Labor Inputs into Soviet Industry, Benchmark Years, 1928–1950	178
44. Comparison of NBER and Galenson Indexes of Soviet Industrial Output per Unit of Labor, Benchmark Years, 1928–1937	181
45. Comparison of NBER and Kaplan-Moorsteen Indexes of Soviet Output per Man-Year of Labor for Intermediate Industrial Products, Benchmark Years, 1928–1955	182
46. Comparison of NBER and Official Soviet Indexes of Industrial Output per Man-Year of Labor, Benchmark Years, 1928–1955	183
47. Production Indexes for Industrial Materials: Soviet Union, 1913–1928	185
48. Persons Engaged in Large-Scale and Small-Scale Industry: Soviet Union, Selected Years, 1913–1933	189
49. Persons Engaged in Large-Scale and Small-Scale Sectors of Selected Industries: Soviet Union, 1927, 1929, and 1933	189
50. Estimated Percentage of Value of Output, Value Added, and Employment Accounted for by Small-Scale Industry: Soviet Union, Selected Years, 1913–1933	190
51. Output of Twenty-Seven Products in Small-Scale and Large-Scale Industry: Soviet Union, 1928 and 1933	193
52. Indexes of Output, Employment, and Output per Person Engaged in Large-Scale and Small-Scale Industry: Soviet Union, Benchmark Years, 1913–1933	194
53. Moving-Weight Indexes of Production, All Industry and Industrial Groups: Soviet Union, 1928–1958	196
54. Average Annual Growth Rates of Output, All Industry and Industrial Groups: Soviet Union, Five Year Plans	198

TABLES

55. Average Annual Growth Rates of Output per Unit of Labor, All Industry and Industrial Groups: Soviet Union, Five Year Plans	199
56. Annual Relatives of Production, Industrial Materials and All Civilian Products: Soviet Union, 1929-1940	204
57. Fulfillment of Five Year Plans, by Industrial Group: Soviet Union, 1932, 1937, 1950, and 1955	206
58. Industrial Production in France, Japan, West Germany, and the Soviet Union, 1938-1958	220
59. Annual Relatives of Production, All Industry and Industrial Groups: Soviet Union, 1950-1958	222
60. Average Annual Growth Rates in Physical Output Planned for 1955-1965 Compared with Those for Other Periods: Soviet Union, Twenty-Four Industries	223
61. Indexes of Industrial Output, Output per Unit of Labor, and Output per Capita: Tsarist Russia, Soviet Union, and United States, Benchmark Years, 1860-1955	227
62. Average Annual Growth Rates of Industrial Output, Output per Unit of Labor, and Output per Capita: Tsarist Russia, Soviet Union, and United States, Selected Concurrent Periods	229
63. Comparative Levels of Industrial Production and Productivity: Soviet Union and United States, 1913, 1928, and 1955	238
64. Comparative Levels of Industrial Value Added in Constant Dollars: Soviet Union and United States, 1913, 1928, and 1955	240
65. Average Annual Growth Rates of Industrial Output, Output per Person Engaged, and Output per Capita, by Industrial Group: Soviet Union and United States, Selected Concurrent Periods	243
66. Average Annual Growth Rates Compared for Forty-Seven Industries: Soviet Union and United States, 1913-1955 and 1928-1955	244
67. Growth Rates Compared for Fifteen New Soviet Industries: Soviet Union (1932-1955) and United States (1928-1955)	246
68. Average Annual Growth Rates of Industrial Output Calculated in Different Ways: Soviet Union and United States, 1913-1955 and 1928-1955	248
69. Comparative Levels of Value Added for All Industry and a Sample of Forty-Five Industries: Soviet Union and United States, 1913, 1928, and 1955	249

TABLES

70. Value Added for a Sample of Forty-Five Industries as a Percentage of Value Added for All Industry: Soviet Union and United States, 1913, 1928, and 1955	249
71. Soviet and U.S. Value Added for a Sample of Forty-Five Industries Compared with U.S. Value Added for All Industries, by Industrial Group, 1955	250
72. Percentage Distribution of Persons Engaged by Industrial Group: Soviet Union and United States, Benchmark Years	253
73. Output of Conventional Military Products: United States and Soviet Union, 1954 and 1955	255
74. Average Annual Growth Rates of Industrial Output and Output per Capita: Soviet Union and United States, Selected Comparable Periods	260
75. Average Annual Growth Rates Compared for Forty-Seven Industries: Soviet Union and United States, Selected Comparable Periods	262
76. Average Annual Growth Rates for Thirteen New Soviet Industries: Soviet Union and United States, Comparable Periods	264
77. Average Annual Growth Rates of Industrial Output over Comparable Periods Calculated in Different Ways: Soviet Union and United States	266
78. Year in Which Soviet and U.S. Industrial Output Would Be Equal Under Hypothetical Conditions	270
79. Lag of Soviet Union Behind United States in Output, Benchmark Dates, Forty-Seven Industries	273
80. Lag of Soviet Union Behind United States in Per Capita Output, Benchmark Dates, Forty-Seven Industries	274
81. Changes in Lag of Soviet Union Behind United States in Output, Benchmark Periods, Forty-Seven Industries	276
82. Summary Statistics on Soviet Lags Broken Down by Industries Producing Consumer and Other Goods	279
83. Lag of Russia Behind United States in Output, Benchmark Dates Between 1880 and 1913, Thirteen Industries	280
84. Lag of Soviet Union Behind United States in Output, Benchmark Dates Since 1932, Fifteen New Soviet Industries	282

APPENDIX TABLES

A-1. Frequency Distributions of Growth Rates for Fixed and Total Samples of Soviet Industries, 1913-1955 and 1928-1955	298
--	-----

TABLES

A-2. Estimated Value Added for Fixed Sample of Soviet Industries, 1928	300
A-3. Product Coverage of Interpolating Production Indexes for Industrial Materials and All Civilian Products, 1913-1955	309
A-4. Product Coverage of Interpolating Production Indexes for All Civilian Products, by Industrial Group: 1927/28-1955	310
A-5. Product Coverage of Production Indexes for Industrial Materials and All Civilian Products, by Industrial Group, 1955-1958	311
A-6. Imputed and Direct Value-Added Weights: Soviet Union, Industrial Groups, 1928	314
A-7. Imputed and Direct Employment Weights: Soviet Union, Industrial Groups, 1928	316
A-8. Production Indexes for Machinery and Equipment Based on 1928 Weights, with Varying Coverage and Method of Construction: Soviet Union, Selected Years, 1913-1955	317
A-9. Soviet Budgeted Military Expenditures, with Estimates by Category, 1927/28-1955	319
A-10. Estimated Value, Price, and Deflated Value Indexes, Soviet Military Products	322
A-11. Moving-Weight Indexes of Soviet Industrial Production Adjusted to Cover Estimated Military Production	326
A-12. Size of Soviet Armed Forces, Selected Years, 1927-1959	327
A-13. Product Coverage of Hodgman and NBER Indexes of Soviet Industrial Production	333
A-14. Percentage Distribution of 1934 Weighted Aggregates for NBER and Hodgman Production Indexes Among Industrial Groups	334
A-15. Hodgman, Hodgman-NBER, and NBER Production Indexes for Industrial Groups: Soviet Union, Selected Years, 1927/28-1950	336
A-16. Kaplan-Moorsteen and NBER Production Indexes for Industrial Groups: Soviet Union, Selected Years, 1927/28-1958	339
A-17. Indexes of Soviet Industrial Prices, 1913, 1928, and 1955	341
A-18. Basic Data for Indexes of Soviet Industrial Prices	342
A-19. Kondratiev, Borenstein-Goldsmith, and Industrial Materials Indexes of Industrial Production: Tsarist Russia, Benchmark Years, 1860-1913	345
A-20. Persons Engaged in Soviet Industry: Industrial Groups, Benchmark Years	346

TABLES

A-21. Average Daily Hours Worked by Adult Production Workers in Soviet Large-Scale Industry, Benchmark Years	347
A-22. Average Annual Days Worked by Production Workers in Soviet Large-Scale Industry, Benchmark Years	347
A-23. Estimated Annual Hours Worked by Persons Engaged in Soviet Industry, Benchmark Years	348
A-24. Indexes of Employment and Output by Industrial Group: Soviet Union, Benchmark Years	348
A-25. Economic Aid and Reparation Payments to the Soviet Union, 1946-1953	352
A-26. Estimated Value Added Calculated in Rubles and Dollars for Basic Sample of Forty-Five Industries: United States and Soviet Union, 1913, 1928, and 1955	362
A-27. Production of Energy in the United States, 1860-1955	373
A-28. Production of Energy in Russia and the Soviet Union, 1860-1955	375
A-29. Estimated Value Added Calculated in Rubles and Dollars for Soviet Industrial Materials: Industrial Groups, 1913, 1928, and 1955	378
A-30. Estimated Ruble-Dollar Ratios for Unit Value Added, by Industrial Group: U.S. and Soviet Output Weights, 1913, 1928, and 1955	379
A-31. Summary of Ruble-Dollar Price Ratios for Industry in 1955: U.S. and Soviet Output Weights	380
A-32. Index of Industrial Production: United States, 1860-1959	382
A-33. Component Indexes Used for Index of Industrial Production in the United States	383
A-34. Income-Originating Weights Used for Index of Industrial Production in the United States	383
A-35. Value Added, Persons Engaged, and Man-Hours of Persons Engaged: United States, Industrial Groups, 1929	385
A-36. Output and Employment in U.S. Industry: Selected Years, 1899-1955	386
A-37. Indexes of Output and Employment, by Industrial Group: United States, Benchmark Years, 1899-1953	387
A-38. Percentage Distribution of Value Added and Persons Engaged by Industrial Group: United States, Benchmark Years	389
A-39. Percentage Distribution of Value Added and Persons Engaged by Industrial Group: Soviet Union, Benchmark Years	390

TABLES

A-40. Cumulated Percentage of Value Added and Persons Engaged Accounted for by Industrial Groups Arrayed by Growth in Labor Productivity over Selected Periods: United States, Benchmark Years	391
A-41. Cumulated Percentage of Value Added and Persons Engaged Accounted for by Industrial Groups Arrayed by Growth in Labor Productivity over Selected Periods: Soviet Union, Benchmark Years	392
A-42. Estimated Value Added in U.S. Industry, 1913, 1928, and 1955	393
A-43. Estimated Value Added in Soviet Industry, 1913, 1927/28, and 1955	394
A-44. Estimated Value of Military Production: United States, 1954	394
A-45. Physical Output Goals of Soviet Products as Given in Five Year Plans, 1932, 1937, 1950, and 1955	397
A-46. Actual and Planned (Five Year Plan) Value Added of Soviet Products, 1932, 1937, 1950, and 1955	399
A-47. List of Soviet Products Covered in Study of Plan Fulfillment, 1932, 1937, 1950, and 1955	401
B-1. Output Series: Russia, 1860-1913	411
Sources	416
B-2. Output Series: Soviet Union, 1913-1959	420
Sources	460
B-3. Output of Individual Products in 1937: Interwar and Postwar Soviet Territory	495
C-1. Persons Engaged in Industry, by Industries: Soviet Union, Benchmark Years, 1913-1955	499
Sources and Derivation	505
C-2. Turnover, Value of Output, and Value Added, by Industries: Soviet Union, 1926/27, 1927/28, and 1928/29	509
Sources and Derivation	518
C-3. Estimated Population: Russia and Soviet Union, Selected Years, 1858-1958	519
D-1. Indexes for Industrial Materials, Soviet Union, 1913-1955	522
D-2. Indexes for Finished Civilian Industrial Products, by Groups: Soviet Union, Benchmark Years, 1913-1955	524

TABLES

D-3. Index for All Civilian Industrial Products, 1928 Weights, by Groups: Soviet Union, 1913, 1928-1955	525
D-4. Index for All Civilian Industrial Products, 1955 Weights, by Groups: Soviet Union, 1913, 1928-1958	527
D-5. Index for Industrial Materials: Russia, Benchmark Years, 1860-1913	529
D-6. Indexes for Industrial Materials: Soviet Union, 1955-1958	529
D-7. Indexes for Industrial Materials, U.S. Weights: Soviet Union, Benchmark Years, 1913-1955	529
D-8. Unit Value Weights Used in All Indexes of Industrial Production	530
Sources	538
D-9. Value-Added and Employment Weights Used in Indexes for All Civilian Industrial Products	568
Sources and Derivation	573
D-10. List of Soviet Output Series Included in Indexes of Industrial Production, 1913-1955	574
D-11. List of Russian Output Series Included in Production Index for Industrial Materials, 1860-1913	579
E-1. Output Series: United States, 1870-1955	582
E-2. Output Series: United States, 1799-1869	608
F-1. Selected Official Data on Value of Gross Production in Soviet Industry, Benchmark Years	616
F-2. Selected Official Indexes of Gross Production in Soviet Industry, Benchmark Years	620
F-3. Estimated Soviet Industrial Production Account, 1955	622
F-4. Official Data on Soviet Gross Social Product and National Income, 1959	632
F-5. Estimated Soviet Industrial Production Account, 1959	633

Charts

1. The Soviet Statistical System Until Mid-1957	20
2. Frequency Distributions of Growth Rates for Fixed Sample of Soviet Industries, by Number of Industries: 1913-1955	87
3. Frequency Distributions of Growth Rates for Fixed Sample of Soviet Industries, by 1928 Value Added: 1913-1955	89
4. Frequency Distributions of Growth Rates for Twenty-Three Industries, by Number of Industries: Tsarist and Soviet Periods	91
5. Scatter Diagram of Relation Between Ranks of Growth Rates for Tsarist and Soviet Periods, Twenty-Three Industries	92
6. Scatter Diagram of Relation Between Ranks of Growth Rate for 1913-1955 and "Stage of Development" in 1913, Forty-Eight Soviet Industries	95
7. Frequency Distributions of Growth Rates for Fixed Sample of Soviet Industries, by Number of Industries: 1913-1928 and 1928-1955	98
8. Frequency Distributions of Growth Rates for Fixed Sample of Soviet Industries, by 1928 Value Added: 1913-1928 and 1928-1955	99
9. Scatter Diagram of Relation Between Ranks of Growth Rates for 1928-1955 and 1913-1928, Fixed Sample of Soviet Industries	102
10. Scatter Diagram of Relation Between Ranks of Growth Rate for 1928-1955 and "Stage of Development" in 1928, Forty-Eight Soviet Industries	103
11. Indexes of Soviet Industrial Production, Grouped by Scope, Benchmark Years, 1913-1955	129
12. Indexes of Soviet Industrial Production, Grouped by Weighting System, Benchmark Years, 1913-1955	138
13. NBER and Other Western Production Indexes for Civilian Machinery and Equipment: Soviet Union, Benchmark Years, 1928-1955	147
14. NBER and Other Indexes of Soviet Industrial Production, Benchmark Years, 1913-1955	156
15. Indexes of Industrial Production, by Industrial Group: Soviet Union, Benchmark Years, 1913-1955	166
16. Indexes of Industrial Output and Employment: Soviet Union, Benchmark Years, 1913-1955	173

CHARTS

17. Indexes of Industrial Output per Person Engaged, by Industrial Group: Soviet Union, Benchmark Years, 1913-1955	174
18. Production Indexes for Industrial Materials: Soviet Union, 1913-1928	186
19. Moving-Weight Indexes of Production, All Industry and Industrial Groups: Soviet Union, 1928-1940	195
20. Frequency Distributions of Growth Rates of Soviet Industries, Five Year Plans	200
21. Production of Agricultural Machinery: Soviet Union, 1928-1940	203
22. Relative Frequency Distributions of Percentages of Planned Output (Five Year Plans) Fulfilled, by Value Added: Soviet Union, 1932, 1937, 1950, and 1955	207
23. Moving-Weight Indexes of Production, All Industry and Industrial Groups: Soviet Union, 1937-1958	217
24. Indexes of Industrial Production in France, Japan, West Germany, and the Soviet Union, 1938-1958	219
25. Industrial Production: Tsarist Russia, Soviet Union, and United States, 1870-1959	228
26. Industrial Production per Head of Population: Tsarist Russia, Soviet Union, and United States, 1870-1959	231
27. Indexes of Output, Employment, and Output per Unit of Labor, by Industrial Group: Soviet Union (1913-1955) and United States (1909-1953)	233
28. Frequency Distributions of Growth Rates for Forty-Seven Industries: Soviet Union and United States, 1913-1955 and 1928-1955	247
29. Frequency Distributions of Growth Rates for Samples of Individual Industries: Soviet Union and United States, Comparable Periods	265
A-1. Physical Output Trends of Fixed Sample of Seventy Soviet Industries	301
A-2. Physical Output Trends of Basic Sample of Forty-Seven Industries: Soviet Union and United States	355
A-3. Physical Output Trends of Fifteen New Soviet Industries: Soviet Union and United States	369
A-4. Physical Output Trends of Energy: Soviet Union and United States	374

Preface

THIS is the second in a series of reports setting forth results of the study of Soviet economic growth begun in 1954 under a grant from the Rockefeller Foundation. It deals with industry and appropriately appears after Professor Gregory Grossman's appraisal of official Soviet statistics on industrial output.

Our work has been based ultimately on official Soviet sources, and it has been complicated by the changes in Soviet policy on publishing statistics that have taken place during our six years of research. As new statistics appeared beginning in 1956, we revised our analysis to take account of them, at least of those published through 1959. An older sample of data still provides the basis for one or two subsidiary statistical analyses noted in the text, where complete revision would have taken more time than the minor refinement in results warranted. As for the new Soviet data appearing in 1960, we have been able to incorporate only selected items because of the advanced stage of our work at the time of their release.

The basic data used in this study are given in our appendixes. Additional materials from Soviet sources of different types and dates have been compiled into a six-part abstract (*Statistical Abstract of Industrial Output in the Soviet Union, 1913-1955*, Parts 1-5, New York, National Bureau of Economic Research, 1956; and *Supplement* to same, 1957), which supplements the present volume. Many of the figures in our appendixes are given more precisely than their accuracy warrants, the extra places being provided to reduce the rounding error in statistics that others may wish to derive. For example, the production indexes in Appendix D are generally given to four or more significant places, but in the text we have usually rounded them to the nearest percentage point and annual average rates of growth derived from them to the nearest tenth of a point. As is always the case in working with figures of varying and essentially unknown degrees of accuracy, it is neither possible nor desirable to be entirely consistent in assigning significant places to basic or derived statistics. Rounding rules are necessarily rather arbitrary.

In transcribing Russian words into the Roman alphabet, we have used the Library of Congress transliteration system, except that diphthong marks have been eliminated and the apostrophe has been used for the hard as well as the soft sign. We have deviated from

PREFACE

this system only where common usage has established a different transliteration, as the names of some well-known persons, or where a transliteration made by others is cited, as the names of Russian authors of books translated by others. Russian words are followed by an English translation the first time they appear in a chapter. For publications in Russian, our translation of the title is given in brackets following the title in Russian. For publications originally in Russian but translated into another language, the title is given only in the language of translation.

In working with Russian materials, I was almost a blind man seeing through the eyes of others, who fortunately had not only full command of the language and the literature but also exceptional competence in economic statistics. Israel Borenstein and Adam Kaufman were my principal colleagues, and the study owes much to them.

Many others also participated. Professor Alexander Erlich and Dr. Nestor Terleckyj both made substantial contributions to our research work at an early stage. Professor John H. Young prepared a valuable report on Soviet military production, and Nicholas DeWitt on the Soviet cement industry. Professor Stanley Zyzniewski was very helpful in supplying information on Soviet reparations and various historical matters, Maude Pech in calculating the statistics we have used on industrial productivity in the United States, and Harold Wool in preparing a report on Soviet population and labor force. None of these persons can, of course, be held responsible for the use made of their work. Marie-Christine Culbert has been an ideal editor and general assistant, aided by Julia Kamermacher. Charlotte Wasserman and Murray Feshbach handled statistical operations during part of the study, Martha Jones managed the many IBM computations, and Robert S. Johnson indexed the book. Finally, H. Irving Forman has done his usual fine job of preparing charts.

I am indebted to many of the Bureau Board and staff for detailed comments and suggestions: Moses Abramovitz, Arthur F. Burns, Solomon Fabricant, Raymond W. Goldsmith, Albert J. Hettinger, Jr., F. Thomas Juster, Hal B. Lary, Geoffrey H. Moore, Harry Scherman, George J. Stigler, and Leo Wolman. Drafts were widely circulated among scholars, particularly specialists in Soviet studies, and helpful comments were received from Edward L. Allen, James M. Buchanan, John M. Cassels, Ronald Coase, Gregory Grossman, Naum Jasny, Alec Nove, James R. Schlesinger, and John

PREFACE

H. Young. These reviewers have helped us to repair many mistakes and to make many improvements, though each undoubtedly still has his own reservations about, and objections to, the final result. We regret that other scholars in the Soviet field whose views we solicited did not find it possible to give similar help to the study.

Finally, the University of Virginia, through the Wilson Gee Institute for Research in the Social Sciences and the Thomas Jefferson Center for Studies in Political Economy, has been generous in its support in the form of facilities, personnel, and financial aid, relieving somewhat the heavy burden borne by the National Bureau.

G. WARREN NUTTER

London, England
January 1961

