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CIA HISTORICAL REVIEW PROGRAM
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MEMORANDUM FOR:

ATTENTION :

THROUGH : Director of Strategic Research
THROUGH : Acting Director of Economic Research
THROUGH : Chief, International Research Area, OER
THROUGH : Acting Chief,
Division, Ika

SUBJECT : Cost of Construction of Facilities Built in
Support of the Soviet Build Up of Forces
in the China Border Area

1. This memorandum was prepared at the request
OSR/PA/C in support of current OSR work on the China
border regions of the USSR. Approximately 25 hours were spent
in the preparation of this report.

2. From 1966 a steady build up of forces has been under way
in the China Border regions of the USSR. These regions are con-
tained in the Central Asian, Turkestan, Siberian, Transbaikal and
Far Eastern military districts. Extensive permanent and semi-
permanent facilities have been constructed in support of the new
forces including: barracks and support areas, general storage
depots, POL depots, and ammunition and explosives depots. The
costs of construction of such facilities built since 1 January
1966 are shown below.

<u>Facility</u>	<u>Million Rubles</u>	<u>Million Dollars</u>
Barracks and Support Areas	98.6	197.2
General Storage Depots	89.9	179.8
POL Depots	15.2	30.4
Ammunition and Explosives Depots	138.8	277.6
Total	342.5	685.0

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3. The estimated costs of construction include only "bricks and mortar" work and the installation of utilities (heat, water, sewer and electricity). The cost estimates are considered accurate within plus or minus 20 percent.

4. The estimates made in this report are preliminary and are based on a study of a small sample of the facilities involved. Building sizes and types are averages derived from the sample and unit costs are averages for the entire area. IS/CST has surveyed the data available and feels that sufficient data are available for a detailed report which would be much more accurate and of value to OSR in future military costing efforts.