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CIA HISTORICAL REVIEW PROGRAM RELEASE AS SANITIZED

1999

. 11 September 1975

MEMORANDUM FOR:

SUBJECT

: Data Requested by

- 1. Attached are three tables showing our estimates of value added in industry in the US, Western Europe, and CEMA countries, as requested by
 - 2. All of the estimates are very rough

4. It should be noted that the West European data are not directly comparable to the US and CEMA data since OECD includes construction in industry and the exchange rates which were used by OECD are unknown.

Attachments: As stated.

(S-09007)

1974 US AND USSR VALUE ADDED IN INDUSTRY

	<u>US</u> .	USSR
1963 Gross Industrial Production in 1963 Dollars	464.4	254.6
Growth of Industrial Production, 1963-1974 (1963=100) b/	163.6.	194.4
1974 Gross Industrial Production in 1963 Dollars	759.8	494.7
Growth of US Whole- sale Price Index, 1963-1973 (1963=100)	142.5	142.5
1974 Gross Industrial Production in 1973 Dollars	1,083.0	705.4
1974 Value Added in Industry in 1973 Dollars C	367.0	239.0

a. The US value is the gross value of shipments of mining, manufacturing, and utilities in 1963. The USSR value is the gross value of output of industry converted to geometric mean dollars with a ruble-dollar ratio of 0.789 computed by V. M. Kudrov as cited in US Dept. of Commerce report, Soviet Studies on Ruble/Dollar Parity Ratios, pp. 20-22.

b. US Federal Reserve Board index of industrial production and CIA index of Soviet industrial production.

c. The US value is the ratio of 1973 value added in mining, manufacturing, and utilities (375.1 billion 1973 dollars) to total 1973 GNP (1,294.9 billion 1973 dollars), multiplied by 1974 GNP (1,267.1 billion 1973 dollars). Soviet industrial value added is assumed to have the same ratio to gross output as in the US.

ESTIMATED NON-SOVIET CEMA VALUE ADDED IN INDUSTRY, 1974 2/

•	Billion 1973 Dollars	s
Poland	35	<u> </u>
East Germany	32	
Czechoslovakia		
Romania	23	
Hungary	19	
Bulgaria	• 9	
Cuba	·	
Mongolia	4	
213130220	_0.2	
TOTAL	•	
TOTAL	131	
•		

a.

100

Base year estimates moved forward with indicies of industrial production and GNP. The resulting share was applied to estimates of 1974 GNP in 1973 dollars. Industry includes mining, manufacturing, and power generation. Cuba and Mongolia were privately estimated.

VALUE ADDED IN WEST EUROPEAN INDUSTRY 4/

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	1973 GDP Per Capita b/	1973 Population b/	1973 GNP (1) x (2)	Industry as Z of GDP b/	1973 Industry Value-Added (3) x (4)	1974/1973 Growth of Industrial Production c/	1974 Industry VA in 1973 dollars (5) x (6)
European Community:			1973 Dollars)		1973 Dollars)		, A.A.
Belgium	4,650	7,521	35.0	40.1	14.0	121/116	1/. 6
Denmark	5,460	9,742	53.2	39.9	21.2	102 5/100 d/	30 3
France	4,900	52,177	255.7	45.9 £/	117.4	123/120	120.7
West Germany	5,610	61,967	347.6		181.1	112/113	170 5
Ireland	2,130	3,051	6.5	ພ ພ ໝ	2.2	173/170	1/9.0
Italy	2,510	54,888	137.8	41.2	5678	120/114	
Luxembourg	5,200	350	1.9	57.5	1.2	119/115	1.0
United Kingdom	4,410 3,100	13,438	59.3	44.9	26.7	121/118	27.4
(1	20,020	*/	4.74	/3.2	108/111	71.2
Other West Europe:							
Austria	3,550	7,521	26.7	50.1	13.4	126/120	
Norway	4,780	3,961	18.9	33.4	G	119/115	۲ م. ۲ ۲ م. ۲
Suprat Control	1,250	8,564	10.7	43.2	4.6	e/	٠
Spain .	0,140	8,138	50.0	36.6	18.3	1187111	19.4
\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,730	34,/30	60.8	35.5	21.6	150/137	23.6
Total		326,035	1,237.8		558.0	·	565.2

a. Industry in OECD data includes mining, manufacturing, construction, and utilities. For the purpose of this calculation, Finland, Greece, Iceland, and Switzerland were excluded.
b. OECD Economic Surveys: Japan, July 1975.
c. Main Economic Indicators, August 1975 (except for Denmark).
d. Estimated.

¹⁹⁷³ is latest data available. Zero growth in 1974 is assumed. 1972. Industry as percent of GDP in 1973 is not available.