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ECONOMIC COMMITTEE

THE EFFECT ON TRADE AND PRODUCTION OF THE INTEGRATION OF THE GERMAN DEMOCRATIC REPUBLIC INTO COMECON

Note by the Secretary

The attached report, which is concerned with the GDR, has been prepared by the German Delegation as part of the yearly survey of East European economies.

2. This document will be used as background material when the GDR's economy is discussed, together with those of Poland and Czechoslovakia, at the Committee's reinforced meetings scheduled for 8th and 9th July, 1976.

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This document includes: 1 Annex

THE EFFECT ON TRADE AND PRODUCTION OF THE INTEGRATION OF THE GERMAN DEMOCRATIC REPUBLIC INTO COMECON

Note by the German Delegation

Contents

I. Introduction

1. The GDR has been a full member of COMECON since 1950 but it is difficult to assess accurately the effect on its economy of membership of this socialist economic community.

2. The GDR's foreign trade statistics are by far the most incomplete of any European COMECON country except Albania. All the other member countries publish a special foreign trade year-book and the Soviet Union and Poland have done so since the mid-50s; for the GDR, however, the rather scanty information provided in the statistical year-book (Statistisches Jahrbuch) has to suffice.

3. With these statistics it is only possible to examine the position of the COMECON partners within the context of the overall development of the GDR's foreign trade during the last twenty years (Chapter II). For an analysis of the pattern of trade between the GDR and COMECON (Chapter III), the scale of capital equipment exports from the GDR to the Soviet Union (Chapter IV) and the economic significance of the COMECON agreements on specialized production in the GDR (Chapter V), extensive use has had to be made of data published by the other member countries and, chiefly, Soviet foreign trade statistics and other Eastern and Western sources. To put the survey in proper perspective, it must be remembered that it has not always been possible to check whether the methods used in compiling the different statistics are strictly comparable, and so allowance should be made for this fact when conclusions are drawn.

4. Very little is known about the organization of production in the GDR; with a few exceptions, no information is available to permit a macro-economic and sectoral assessment of exports and imports and the development of their profitability. Information is also lacking on the criteria and methods governing central foreign trade policy decisions and particularly the regional pattern of foreign trade and similar questions. It follows, therefore, that it is only possible to arrive at an accurate estimate in a very few cases. Another elemental problem is the absence of a scientific method of positively assessing the effects of international integration on the economic structure of the countries in question. This serious drawback was also encountered when the three new member countries joined the Common Market and it proved impossible to predict accurately and scientifically the consequences of the enlargement of the Community on the six founder members or on the three new members. This will always be a difficult problem even if more detailed information on the GDR's position within COMECON becomes available. This survey does, however, succeed in shedding some light on the problems connected with organizational adjustments in the GDR.

5. Lastly, it should be borne in mind that the foundations for the GDR's economic development during the last twenty-five years (industrialization on Soviet lines, redirection of foreign trade, especially Eastwards, demarcation from the Western part of Germany) were laid before 1954, when COMECON existed only on paper. Economic co-operation between the GDR and the other COMECON countries has always been determined by bilateral co-ordination; in other words, the all-important decisions regarding the scale and nature of this co-operation do not take account of the interests of the COMECON countries as a whole but of the political/economic interests of the different member countries, and in this case of the GDR.

II. Interdependence of the economy of the GDR within COMECON

6. Since the mid-50s, the share of COMECON member countries in the GDR's exports has been around 70% (see Table 1 at Annex). For imports, the same percentage obtained during the 60s but before that and since 1970 it was slightly lower. In 1974, the volume of trade between the COMECON countries and the GDR dropped noticeably, especially where imports were concerned. But these changes in the geographical pattern of the GDR's foreign trade are explained entirely by prices; because of the sharp price rises on the Western markets during the last quarter of 1973 and throughout 1974, the GDR's trade with the non-Communist world rose nominally more than with the Communist countries where, during the period in question, prices remained stable. The figures for 1973 (more recent ones are not available)(1) reveal the importance of price changes on the regional pattern of foreign trade:

	Communist countries	COMECON countries	Other countries
Share in foreign trade turnover (exports plus imports)			
in percentage - real prices	68.7	66.0	31.3
compared prices(2)	71.2	68.5	28.8
Foreign trade price index (1972 = 100)	100.2	100.1	113.7

(1) Calculated on the basis of the figures given in the Statistisches Taschenbuch der Deutschen Demokratischen Republik 1975 (GDR Statistical Pocket Book) Berlin 1975

(2) The reference year for the compared prices is not known (probably 1970)

In any case, the official GDR foreign trade figures are subject to an intrinsic inconsistency which certainly affects their value, although it is difficult to estimate to what extent. Since 1965 they have been based on what is known as the valuta Mark. By comparison with the transferable rouble(1), which is the foreign trade accounting unit of the COMECON International Bank for Economic Co-operation, the valuta Mark is set administratively at a fixed rate (1 transferable rouble = 4.67 valuta Marks); however, this rate in no way reflects the difference in the purchasing power between the two currencies. The prices in the contracts concluded between the COMECON countries (see Chapter VI) are expressed in transferable roubles. The trade of the GDR (and of other COMECON countries) with the Western countries is transacted on the basis of the prices obtaining on Western markets and the different Western currencies. Conversion takes place on a nominal gold parity of the rouble (0.987412 grammes) in relation to the freely convertible currencies. But this conversion bears no resemblance to the real relationship between the COMECON contract prices and those prevailing on Western markets. During the 60s, COMECON contract prices were probably well above those of comparable Western goods (as much as 40%). Consequently, the share of the COMECON countries in the GDR's foreign trade was lower than it seemed. Since then, and more especially since October 1973, the relationship between the two different price levels has probably been reversed, with the consequences described above on the GDR's regional export/import pattern. The economic function of the transferable rouble also determines the GDR's scope for using its surplus trade balance in its dealings with the COMECON partners (see Table 2 at Annex). Officially, of course, the transferable rouble is the accounting unit for intra-bloc trade. Trade between members of COMECON is always carried out on the basis of bilateral governmental agreements and assets in transferable roubles do not mean that purchases can be made automatically in another member country; the balance is not necessarily calculated in transferable roubles but has to be covered by a trade agreement in each case. Except for trade between member countries of COMECON, the transferable rouble has no purchasing power as such, so the GDR cannot use its surplus transferable roubles to offset its trade deficits with the OECD countries.

7. In common with the other COMECON countries, the GDR does not publish its balance of payments. It has been observed, however, that part of the surplus earned through exports has been used to offset the GDR's deficit vis-à-vis the other

(1) The transferable rouble is exactly the same as the valuta rouble, which is the Soviet foreign trade accounting unit. They bear no economic resemblance to the domestic rouble which, like the GDR Mark and the other COMECON currencies, is a purely internal currency

member countries in the services sector. Thus, Poland's important share in the GDR's inter-COMECON trade credit balance (some 60% of the cumulative balance over the period 1960-74) is explained essentially by the Polish surplus in the transport sector. Some 80% of the goods exchanged between the Soviet Union and the GDR go through Polish territory(1). According to Polish sources, the 1970 balance in the Polish services sector showed a surplus of 120 million transferable roubles vis-à-vis the GDR; at the same time the trade balance showed a deficit of 80 million transferable roubles(2).

8. Since 1973, the yearly surplus of the GDR's exports to Poland has been dwindling. But it seems likely that the GDR's earnings from passenger traffic between the GDR and its Eastern neighbour are increasing(3).

9. The GDR's exceptionally high credit balance in its dealings with the Soviet Union in the middle of the current Five-Year Plan is explained, firstly, by the growth problem experienced by the Soviet economy in 1972, when the Russians increased their imports by 18% (24% for capital goods) and reduced its exports to the GDR by 3%. This unforeseen drop in the purchases of the Soviet Union certainly influenced the GDR's economic development although it is difficult to say to what extent. Since then, the Soviet economy has succeeded in overcoming the 1972 growth crisis and, last year, the GDR's imports from the Soviet Union outstripped its exports to that destination.

10. Apart from Mongolia, whose foreign trade is virtually all with the COMECON countries, the GDR comes second, after Bulgaria, in terms of COMECON interdependence, although for very different reasons. The GDR is the most highly industrialized country in the COMECON grouping (see Chapter VI) and consequently its main supplier of capital goods (see Chapter III). Except for agricultural produce, exports from poorly industrialized Bulgaria have few openings outside COMECON. Moreover, of all the People's Democracies, Bulgaria is the most politically loyal to Moscow.

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(1) Apparently the cost of this transit is financed exclusively out of the GDR's export surpluses, since trade between Poland and the Soviet Union was virtually in balance for the period 1960-74. It is not known whether, and to what extent, the costs are shared by the GDR and the Russians.

(2) Trybuna Ludu, 5th January, 1971.

(3) In 1972, 9.5 million travellers from Poland visited the GDR. In 1972 the figure was 6.5 million and in 1974, 7 million. In the opposite direction, the corresponding figures for the same years were 6.8 million, 5.3 million and 5.5 million (Concise Statistical Yearbook 1975, Warsaw).

11. Interdependance of COMECON trade, 1960, 1970 and 1974

Inter-bloc trade(1) as a percentage of total foreign trade.

	Exports			Imports		
	1960	1970	1974	1960	1970	1974
Bulgaria	80.7	79.3	75.9	80.3	73.0	68.0
Czechoslovakia	63.6	64.7	62.0	64.0	63.8	60.1
GDR	68.7	68.6	64.8	66.4	66.1	57.6
Mongolia	94.0	94.4	96.0	75.9	97.3	95.7
Poland	55.0	60.5	53.0	58.1	65.8	42.3
Rumania	65.8	50.3	36.5	67.9	48.3	32.9
Soviet Union	56.0	54.3	47.8	50.1	57.0	50.1
Hungary	61.4	61.8	63.4	64.6	62.3	54.9

On the basis of world prices obtaining at the time

(1) With Albania, Cuba and Mongolia

Source: Foreign Trade Year-book of Poland, 1975 (in Polish)

The GDR is thus the Soviet Union's main trading partner and, generally speaking, the second biggest trading partner (after the Soviet Union) of the other COMECON member countries (see Table 3 at Annex). For Rumania, and very recently Poland, the GDR's place has been taken by the Federal Republic. Since the early 60s, Rumanian foreign trade policy has been much more Western-oriented than that of its partners. Under Gierek, Poland has also stepped up its trade with the West since 1972. In both cases however this development has led to large-scale applications for credits but it is by no means certain that it will continue beyond the short term. It should be noted that, for all these countries, the GDR is generally more important as a supplier than as a market.

12. When COMECON interdependence is considered from the standpoint of exports to COMECON areas in relation to national product (the Eastern definition), the GDR occupies an intermediate position among member countries (Rumania's share is probably below that of Poland).

Interdependence of the COMECON countries in 1971 and 1974

Exports as a percentage of national product

Exports to / Exports from	COMECON countries 1971	COMECON countries 1974	Soviet Union 1971	Soviet Union 1974	Share of exports(1) 1971
Bulgaria	21	24	16	17	28
Czechoslovakia	20	23	10	11	32
GDR	17	19	9	10	24
Poland	13	16	8	8	22
Soviet Union	3	5	0.8(2)	0.9(2)	6
Hungary	24	31	13	15	37

(1) Total exports as a percentage of national product

(2) Exports to the GDR

Source: 1971: Heinrich Machowski, Die Funktion der DDR im RGW (The rôle of the GDR within COMECON); in a special volume of "Deutschland-Archiv", published in October 1973. The 1971 figures have been updated by adding the COMECON export and national product growth rates.

13. These figures, which may seem surprising at first sight(1), are explained by the fact that the GDR is on the whole less dependent on foreign trade than, say, Hungary, Czechoslovakia or Bulgaria.

The statistics show that in the early 70s the GDR's degree of interdependence in the field of foreign trade - by comparison with the size of the domestic market and the economic standard reached - was about one quarter below what might have

(1) The economic area of the GDR has traditionally been geared to foreign trade (see "Deutsches Institut für Wirtschaftsforschung" - German Economic Research Institute) publisher of: DDR-Wirtschaft, eine Bestandsaufnahme - (An inventory of the GDR's economy) Frankfurt/Main, 1974, page 270 et seq).

been considered "normal" by comparison with other countries or with what might have been expected(1). Consequently, the size of the foreign trade sector does not correspond fully to the GDR's economic position; there are three main reasons for this:

- since Soviet-style industrialization gives priority to heavy industry, there has been a tendency to orient foreign trade exclusively towards imports and first and foremost raw materials; only when economic reform came up for discussion in the early 60s and increased productivity and the promotion of technical progress became central features of national economic policy, did the rôle of foreign trade in the growth process come to be redefined ("growth focused on exports");

- the GDR's foreign trade system (State monopoly for foreign trade and exchange, protectionism for the domestic economy) sheltered the economy from world market dynamism in the interests of strict and centralized planning. In spite of the rethinking of foreign trade policy, enterprises continued, and are still continuing, to produce very much in isolation from international competition;

- the integration of the GDR within COMECON certainly contributed to economic development, while fostering a policy of growth focused on the domestic market; the country's foreign trade was directed chiefly at countries whose socio-economic level of development was well below that of the GDR; so there was little scope to use organizational advantages through international specialization in the industrial sectors where technical progress is made.

III. Pattern of trade between the GDR and the COMECON countries

14. The statistics put out by the GDR or other East European sources on the pattern of trade between the GDR and the rest of COMECON are particularly unsatisfactory and give only an indication of general trends. The pattern (according to the system used in COMECON) of the GDR's foreign trade may be described as follows (see Table 4 at Annex). For the past 15 years, sales of machinery and equipment invariably made up

(1) V. Herbert Wilkens: "Der Spielraum für Produktivitäts-fortschritte in der Industrie der DDR bis 1975" - (The scope for progress in productivity in GDR industry up to 1975), published in: "Vierteljahreshefte zur Wirtschafts-forschung" - (Quarterly economic research bulletins), number 3/1972, page 189.

almost half the total exports; similarly, the share in exports of the other categories of goods (except for agricultural produce, which increased rather under 3%) hardly changed over the same period. The pattern of goods imported, however, underwent bigger changes between 1960 and 1974; imports of capital goods doubled and of chemical products and building materials, tripled, at the expense of the two other categories. Machinery and equipment, chemical goods and building materials, together with industrial consumer goods, make up around 75% of all exports. For imports, the main feature was the rise in finished goods from 22% in 1960 to 49% in 1974. Although only the main lines of development are known, there is no doubt that during the period in question the tendency to replace goods produced in the GDR by substitutes from abroad, greatly increased. Be this as it may, GDR foreign trade plays mainly a complementary rôle.

15. The pattern becomes clearer still if GDR trade with COMECON is analyzed (see Table 5 at Annex). During the 60s, capital goods took the lion's share of GDR exports to the COMECON countries; the proportion of finished industrialized goods (within the limits mentioned) was around 9/10ths. Between 1965 and 1970 there was a dramatic rise in the GDR's imports of machinery from the other COMECON countries. As explained above, this sudden increase changed the pattern of imports because of the large share of COMECON partners in total imports.

16. The machinery appears to have come from member countries other than the Soviet Union (see Table 6 at Annex). In the mid-60s, the GDR's trade with the Soviet Union, its leading partner within the bloc, was typified by exchanges of different types of goods: 80% of the GDR's exports were made up of finished industrial goods and 92% of its imports of primary goods.

17. The so-called reciprocity index shows the extent to which trade between the GDR and the Soviet Union is complementary. R is defined as follows(1):

$$R = \frac{\sum_{i=1}^{r} : X_i - M_i}{\sum_{i=1}^{r} \left\{ X_i + M_i \right\}}$$

(1) See J.M. Montias: "The structure of COMECON trade and the prospects for East-West exchanges", in: Reorientation and commercial relations of the economies of Eastern Europe, Joint Economic Committee, Congress of the United Stated, Washington 1974, P. 671

18. In this formula, X_i and M_i represent respectively exports and imports in category i, and r shows the number of categories into which the exports and the imports are divided.

19. The value of R can go from 0 (complete reciprocity, i.e. imports and exports balanced in all categories) to 1 (absolute non-reciprocity, i.e. in a commodity category export figures are positive and imports = 0 and vice versa). For the mid-60s, Montias calculated the following R values:

Index of reciprocity - COMECON countries' foreign trade

COMECON countries (Year)	Trade with		
	Soviet Union	COMECON countries(1) (other than the Soviet Union)	Other countries
Bulgaria (1966)	0.53	0.31(2)	0.40
Czechoslovakia (1967)	0.55	0.13	0.25
GDR (1965)	0.73	0.34	0.30
Poland (1965)	0.29	0.17	0.19
Rumania (1965)	0.33	0.15	0.30
Hungary (1965)	0.49	0.22	0.32

(1) With Albania and Mongolia

(2) Communist countries other than the Soviet Union

Source: J.M. Montias, already referred to, page 672

20. For all the small COMECON countries, the index of reciprocity is higher for their trade with the Soviet Union than for trade among themselves. This highlights the Soviet Union's special position in COMECON inter-bloc trade, both as the main supplier of raw materials and the biggest purchaser of finished products. This is especially true of the GDR, which has the highest "R" value. It is a characteristic feature of inter-bloc trade that the COMECON countries always seek to balance bilaterally their trade with the different partners not only for total exchanges but also for the major commodity categories. These are the so-called "hard" goods such as raw materials and semi-finished products which are

also fairly easy to sell in the West. The Russians seem to have given up any attempt to establish a bilateral balance for these "hard" goods. If they had done as the smaller countries, and achieved an equilibrium whenever possible within the various commodity categories, the level of inter-bloc trade would have been much lower.

But the fact remains that the machinery built in the GDR, unlike comparable machinery made in the other member countries, cannot always be regarded as "less hard goods". At the same time, the GDR has carved itself out a share of the Western machinery market; in 1972, approximately one quarter of all exports to OECD countries consisted of machinery (SITC Section 7). Czechoslovakia's share was 19% and that of the other COMECON countries between 5 and 9%(1). As can be seen from Table 7 at Annex, the share of capital goods in the GDR's exports to the OECD area in 1972 was even higher, at 29%. However, the different systems used for compiling trade statistics exclude any strict comparison between the two figures and, moreover, the percentage of non-classified goods in Table 7 is comparatively high. The Table does, however, bear out our earlier comments about the predominant features of the regional pattern of the GDR's foreign trade and the special position occupied by inter-German trade in this context.

21. The integration of the GDR into COMECON has entailed the unilateral concentration of machinery exports in the same area (see Table 8 at Annex). Eight, and in some years even nine, machines out of ten were supplied to the COMECON countries, half of them to the Soviet Union. Purchases of East German machinery by the other Communist countries were as insignificant as purchases by OECD and Third World countries.

22. As early as the mid-60s, 36% of the output of the GDR's mechanical engineering industry was being sent to final users abroad (private sector, public services, investments and exports) (see Table 9 at Annex); for shipbuilding, the export figures were around 60%. The relationship between Marks and valuta Marks(2) (see Item 6 in Table 9) provides an illustration of the profit-earning capacity of GDR machinery exports. By comparison with domestic price levels (ex-works prices), prices in the automobile, electrotechnical and shipbuilding sectors - which, in 1966, accounted for between 50 and 60% of all machinery exports -

(1) Calculated on the basis of OECD statistics, Series C, December 1972, excluding inter-German trade.

(2) In the mid-60s, the average exchange rate for exports and imports was 1 valuta Mark = 1.5 Marks (see DDR-Wirtschaft - Economy of the GDR, already referred to, page 270).

were better in foreign currencies than those of the mechanical engineering industry in general and of the heavy machinery sector. But it must be pointed out that the relationship between the domestic Mark and the valuta Mark gives only a very vague idea of the comparative profitability of exports within the mechanical engineering group; this does not necessarily mean that the GDR has on the whole benefited from its machinery exports nor does it indicate the scale of any such profits.

The interdependence of the GDR's mechanical engineering industry within COMECON is shown in Tables 8 and 9.

REGIONAL PATTERN OF EXPORTS(1) IN 1966 FOR CERTAIN SECTORS OF THE GDR MECHANICAL ENGINEERING INDUSTRY

	All countries	COMECON countries	Other Communist countries	Industrialised Western countries	Including: EEC countries (6)	Developing countries
General mechanical engineering and heavy machinery	37.0	31.4	2.0	1.6	1.0	2.0
Electro-technical	29.9	22.8	2.8	2.0	1.3	2.3
Motor industry	37.5	29.6	2.8	1.9	0.8	3.3
Ship-building	59.7	52.7	1.9	4.8	1.2	0.3
Mechanical engineering (2)	36.1	29.7	2.3	1.9	1.0	2.2

(1) Total exports to the groups of countries referred to as a % of final user production

(2) Total for the sectors shown

Sources: See Table 9 at Annex and GDR Statistical Year-Book, 1968

23. In 1966, only about 5% of this industrial sector's production intended for export to final users was delivered to markets outside the East European community; in other words, the interdependence of the East German mechanical engineering industry within COMECON was generally speaking twice as pronounced at that of the economy as a whole and it is less interlocked with the non-Communist market than the rest of the economy(1). The GDR's integration into COMECON has taken place mainly through the regionalization of machinery exports. The interdependence of the mechanical engineering industry is reckoned to have increased from 30% in 1966 to 36% in 1972(2).

24. So far the GDR has been the biggest(3) supplier of capital goods in COMECON inter-bloc trade:

Regional pattern of capital goods exports in COMECON inter-bloc trade

Percentage shares of supplier countries

Country	1957	1965	1971	1974(1)
GDR	32.6	27.6	25.3	22.7
Soviet Union	12.4	17.7	21.0	22.5
Czechoslovakia	25.2	22.2	19.3	16.8
Poland	12.3	13.8	14.3	15.0
Hungary	13.3	9.2	9.0	*
Bulgaria	1.5	5.8	7.2	*
Rumania	2.7	3.7	3.8	*

(1) As provided for in bilateral trade agreements

Sources: Zycie gospodarcze, No. 31/1972 and Soviet Foreign Trade, No. 10/1974.

(1) This is true although "national product" is not identical with "finished production".

(2) The 1966 figure has been updated by using the index of machinery exports to the COMECON countries and the net product index of the mechanical engineering, motor and electrotechnical/electronic industries.

(3) Generally speaking, the value of plant and machinery sales (Group I in the COMECON classification system) is 5% higher than the value of machinery exports given in Table 8 (SITC Section 7).

25. This table shows that the GDR, which until recently accounted for one-fifth of all COMECON machinery exports, has experienced a gradual drop in its share over the last few years. One of the reasons for this is that the less intensely industrialized COMECON countries, such as Bulgaria, Poland and the Soviet Union, have succeeded, thanks to their improved industrial development, in increasing their export potential, particularly in this field. But there is no way of accurately knowing the underlying reasons for this development, or of ascertaining the criteria on which the East German economic authorities have based their foreign trade regionalization policy. Perhaps the GDR's interdependence is first and foremost a consequence of its political loyalty to the other members of the bloc and particularly to the Soviet Union ("the priority given to foreign policy"). It may also be asked whether foreign trade policy, framed as it is with political interests in mind, does not conflict with considerations of improved profitability, and just how such contradictions are overcome. These are just a few of the questions which spring to mind.

IV. GDR exports of capital goods to the Soviet Union

26. The Soviet Union is by far the best customer of the GDR's mechanical engineering industry. Between 1964 and 1972 almost half the cumulative exports of this industrial sector (see Table 8 at Annex) were sold to the Russians. The Soviet share of GDR sales within COMECON was about 60%. In this connection, the East German and Soviet figures tally fairly closely(1) so, if necessary, the much more detailed Soviet foreign trade statistics can be consulted.

GDR EXPORTS OF MACHINERY TO THE SOVIET UNION

1967 - 1972

	1967	1968	1969	1970	1971	1972	Total from 1967 to 1972
GDR exports (SITC Section 7) millions of transferable roubles	664	786	839	922	980	1,217	5,408
Soviet imports (COMECON Group 1) millions of transferable roubles	718	831	881	900	970	1,193	5,493
GDR Exports = 100	108	106	105	98	99	98	102

Source: Tables 8 and 10 at Annex

(1) The foreign trade statistics of the two countries classify the regional trade patterns differently depending on the area of sale and purchaser and for its exports and imports the GDR distinguishes between purchasing vendor countries and the Soviet Union between countries of destination and countries of origin.

27. Soviet-GDR trade in the capital goods sector was far more brisk than for exports as a whole (see Tables 8 and 10 at Annex). The intensity coefficient of this trade can be defined statistically in relation to the other COMECON countries. In 1971, the GDR supplied the COMECON region with capital goods worth 1.9 milliard transferable roubles, representing 25.3% of all inter-bloc exports in this sector (7.6 milliard transferable roubles). 37% of this sum, which is close to 8 milliard transferable roubles, was accounted for by deliveries to the Soviet Union. To obtain the intensity coefficient K, it is assumed that 37% also of the GDR exports of capital goods was sent to the Soviet Union, i.e. that the "assumed" value of exports to the Soviet Union in 1971 was 708 million transferable roubles. The quotient calculated on the basis of actual deliveries (value 980 million transferable roubles) and the hypothetical value of the exports gives the intensity coefficient K. If K is equal to 1, the importance of the Soviet Union as a purchaser of East German capital goods is equal to that of the COMECON countries as a whole. If K is higher than 1, the trade relations are described as intensive(1).

Export intensity of certain COMECON countries in their capital goods trade with the Soviet Union

(Intensity coefficient = K)

	1957	1965	1971	1974
GDR	1.72	1.29	1.38	1.74
Czechoslovakia	0.68	1.22	1.16	1.13
Poland	1.04	0.96	1.03	1.07
Other COMECON countries	0.47	0.66	0.67	0.69

28. Within COMECON the GDR maintains the most intensive trade relations with the Soviet Union in the technological sphere and the degree of intensity has recently been increasing. This is not surprising in view of the foregoing. In concrete terms, 27% of all Soviet technological imports (cumulative value 1955 to 1974: 52 milliard transferable roubles) were supplied by the GDR. During the last few years, this share was about one quarter. The second most important supplier in the technological sphere is Czechoslovakia with 16%, followed by Poland (10%), and Hungary (9%). The share of the non-COMECON countries taken together was equal to that of the GDR (28%).

(1) To calculate foreign trade intensity coefficients, see Hermann Sautter: "Regionalisierungstendenzen im Welthandel zwischen 1938 and 1970" (Regionalisation tendencies in world trade between 1938 und 1970), in: Probleme der weltwirtschaftlichen Arbeitsteilung (Problems of the division of labour in the world economy), published by Herbert Giersch and Heinz-Dieter Haas, Berlin 1974, page 573 et seq.

29. Table 10 (absolute values) and Table 11 (percentages) at Annex show Soviet purchases of capital goods from the GDR up to the third decimal point in the COMECON system of trade statistics to the extent that the figures are included in the Soviet foreign trade statistics. The share of this trade category in total Soviet imports from the GDR varied, during the period under consideration, from 52 to 62%, except in 1955 when there was an all-time high of more than 75%. There was a fairly strong tendency towards a widening of the range of imports. Except for groups 18 and 15, none of the two digit items kept its value from 1955 to 1974.

30. In order to check whether Soviet imports of capital goods from the GDR were concentrated on different trade groups from 1955, an experimental statistical calculation has been made(1).

31. The main conclusions are as follows:

- there is nothing to show that Soviet imports of GDR machinery and equipment during the period 1955 to 1973 were concentrated on different trade groups;

- on the contrary, since 1955 the trend towards concentration has weakened and was interrupted for a short time between 1959 and 1960 when Soviet import policy was concentrating on vehicles (Item 19);

- since 1971 there has been a slight trend towards greater concentration, but since 1972 the statistical data has become less precise (there are fewer items with two figures in the Soviet statistics); it would therefore be premature to interpret this tendency as one of genuine reinforced concentration; in any event, the level of concentration in 1973 was lower than it was at the end of the fifties.

32. According to the results of the experiment, the increase in exports of GDR capital goods to the Soviet Union during the last twenty years was parallelled by the widening of the range of goods offered. In many cases, the inclusion of new products in the range was probably a prior condition for increasing the overall volume of exports. To meet its growing need for raw materials from the Soviet Union, the GDR has had to give greater consideration to Soviet shopping lists and this has naturally increased the variety of goods supplied.

(1) Calculations have been made for items with two, three and five figures, provided that they are referred to in the Soviet Foreign Trade Year-book for the years 1955 to 1973.

Agricultural machinery (item 18) is a case in point. The Central Committee of the Communist Party of the Soviet Union, at its plenary assembly in March 1965, adopted an extensive programme of support for agriculture (Brezhnev Plan)(1), which has provided the foundations for Soviet agricultural policy to the present day. After the adoption of this programme, East German exports of agricultural machinery to the Soviet Union went up sharply by 272%(2).

GDR exports of agricultural machinery to the Soviet Union

Millions of transferable roubles

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
GDR exports	*	*	35	49	53	60	83	130	*	*
Soviet imports	32	28	39	50	52	58	81	120	132	121

Sources: Table 10 at Annex and GDR statistical Year-book for several years.

33. Consequently, the share of agricultural machinery in East German capital equipment deliveries to the Soviet Union has doubled to reach 11%. As a result of this increase, the range of goods exported during the second half of the period concerned became much broader.

34. For years now, official sources in the GDR have been complaining that the range of goods produced by the mechanical engineering industry is too varied and not sufficiently cost-effective; apparently the GDR produces more than 80% of the world range of mechanical engineering items (the corresponding figure for Japan would seem to be only 15%)(3).

(1) See Pravda of 27th March, 1965

(2) Soviet imports of agricultural machinery from the other COMECON countries went up even more, from 27 million transferable roubles in 1965 to 168 million transferable roubles in 1974, i.e. an increase of 522%. The GDR's share in total imports in this sector went down from 54% to 40%.

(3) See "Die Wirtschaft" No. 16/1975, page 14

35. Such a production pattern entails small, high-cost production runs; for instance, 50% of the mechanical engineering items produced by the GDR were made in production runs of less than 50 units a year, 16% in runs of between 51 and 100 and 20% in runs of between 100 and 500(1). At the same time, the wide dispersion of research and development resources means that "the share of scientifically and technically advanced products in our output is too low and is increasing too slowly"(2). The same considerations made Nattland conclude that the GDR's exports were too diversified with a multiplicity of branches and too great a dispersion within the various branches. This explains why foreign trade so far has been characterised by "unprofitable imposed exports usually under bilateral agreements" instead of by advancing development. He points out, however, that these data should be "considered very carefully"(3).

36. At first sight, the results of the concentration calculation would seem to indicate Nattland if only as regards trade between the GDR and the Soviet Union. But a closer look reveals that many questions remain unanswered. To judge the profitability of an export operation, even if it involves only small production runs or a single item, it is necessary to know (1) the price in foreign currency obtained, (2) the level of national production costs and (3) the terms of trade for bilateral transactions. All this information is lacking and the calculation of concentration provides no worthwhile result in this respect. And without a knowledge of these factors it is not possible to confirm or refute the widespread belief in the West that the GDR is "exploited" by Russia by means of the prices obtained in the foreign trade sector.

V. Scale and significance of specialized production within COMECON

37. Since the late fifties periodical and economic publications in all the COMECON countries have been devoting more and more space to specialized production agreements concluded by the member countries of the East European community with an eye to reducing manufacturing costs by means of large-scale production runs. It is also hoped that greater

(1) See "Die Wirtschaft" No. 16/1975, page 14. Werner Lamberz states elsewhere that the East German mechanical engineering industry produces between 200 and 800 parts of a machine whereas "cost-effective production is between 2,000 and 5,000 parts" ("Einheit" No. 8/1975, page 833).

(2) "Die Wirtschaft", No. 16/1975, page 14.

(3) Karl-Heinz Nattland: Der Aussenhandel in der Wirtschaftsreform der DDR (Foreign trade and the GDR's economic reform), Berlin 1972, page 37.

productive concentration will reduce overlapping in the field of production, research and development. The specialization agreements signed during the last twenty years have been largely concerned with the construction of machinery and equipment. Specialization has been introduced in the manufacture of 2,300 different types of machinery and equipment items. Moreover, manufacture of the following has been put on a regional footing: automatic data processing equipment for the joint electronic computer programme (ESER), rolling stock, numerically and computer-controlled machine tools and ball-bearings (Hungary, for instance, used to manufacture 500 different types of ball-bearings; it now makes only 180 different types and imports the rest from its partners).

38. In this connection, the GDR has concentrated first and foremost on the production of precision instruments for the mechanical engineering and optical industries, electro-technical equipment, chemical, iron and steel and cement industry equipment, loading and transport equipment, shipbuilding and rolling stock(1).

39. Only a very general idea of the scale and economic significance of the specialization agreements emerges from information originating in Eastern Europe.

40. The most recent figures issued by the COMECON Standing Committee for Foreign Trade reveal that exports of specialized industrial goods within COMECON have evolved as follows:

Specialized products in Inter-COMECON trade

Country	Exports of specialized products		Share of specialized products in total exports	
	1973	1974(1)	1973	1974(1)
	In millions of transferable roubles		%	
Total	1,997	2,728	8.1	10.6
Including:	%		-	
Bulgaria	18.4	19.9	19.3	24.9
Czechoslovakia	13.2	13.9	8.4	11.5
GDR	17.4	20.3	8.3	13.4
Poland	16.1	14.3	9.8	11.8
Rumania	2.2	2.4	3.5	5.2
Soviet Union	24.5	20.9	5.6	6.1
Hungary	8.2	8.3	7.2	10.7

(1) As provided for in the trade agreements
Sources: Soviet foreign trade 10/1974, page 30; statistical Year-books of the COMECON countries.

(1) See "DDR-Wirtschaft", already referred to, page 315 et seq.

41. According to these statistics, the GDR supplied its fellow members of COMECON during the past year with specialized products worth some 550 million transferable roubles, accounting for approximately 13% of all the exports provided for under the bilateral trade agreements. Werner Lamberz shows that the share of specialized products in GDR exports to the COMECON countries in 1974 was actually 17% (1% in 1970); the shares of such deliveries to the Soviet Union were 27% and 0.7% respectively(1). These figures make it possible to calculate the scale and geographical pattern of the exports.

GDR exports of specialized industrialized products to the COMECON countries

In millions of transferable roubles

	Exports		
	Total COMECON countries (1)	Soviet Union	COMECON countries excluding the Soviet Union
1970	28	11	17
1974	719	576	143

(1) With Albania, Cuba and Mongolia

42. The expansion in specialized exports benefited only the Soviet Union, whose share doubled from 39 to 80% in the space of four years. The share of specialized products in the GDR's exports to the other COMECON member countries was only 7% in recent years (1970 1.4%). This tallies with information from Polish sources which shows that the share of specialized industrial products in deliveries between Poland and the GDR was 9% in 1974 (1973: 6%). This share is expected to rise to 11% in 1975 and to around 30% in 1980(2).

43. The five-fold increase in GDR exports of specialized goods to the Soviet Union during the last few years (deliveries to the Soviet market increased by 36% on the whole) is probably due in most cases not to the use of additional export capacity but, in all likelihood, to the fact that most of the goods traditionally exported to the Soviet Union are now covered by the new specialized agreements. In addition to the psychological and propaganda factors, this result has been obtained because the specialization agreements, unlike ordinary export agreements, are stricter on quality and delivery dates and the penalties for non-fulfilment or poor performance are more severe.

(1) "Einheit", No. 8/1975, page 833

(2) "Handel zagraniczny", No. 5-6/1975, page 13

44. The specialization agreements concluded so far between the GDR and its COMECON partners, notably the Soviet Union, have probably had no adverse effects on the limited GDR exports to Western markets. This may not always be the case in future since it is planned to boost inter-COMECON trade in specialized industrial goods during the period 1976 to 1980 at a faster rate than for all categories of goods taken as a whole. The agreement on the co-ordination of economic planning between the GDR and the Soviet Union for the period 1976 to 1980, which is the basis of the five-year trade agreement between the two countries, provides, inter alia, for an increase in GDR deliveries of specialized goods to the Soviet Union "from the present figure of around 27% to at least 35% in 1980"(1). Assuming that the annual increase in overall GDR exports to the Soviet Union is in the region of 7% during the period of the 1976-1980 Five-Year Plan (the agreement on co-ordinated planning gives this rate for the overall turnover of trade between the two countries: GDR deliveries plus Soviet deliveries), GDR exports to the Soviet Union in 1980 will be in the region of 1,150 million transferable roubles for specialized products, at 1974 prices, which represents an increase of some 100% over 1974. Deliveries of GDR machinery and equipment until 1980, on the other hand, are scheduled to increase by about half, to 2.2 milliard transferable roubles (1974). At this point it is impossible to say if, and to what extent, this export effort will interfere with the GDR's ability to export to the West, but the new foreign trade plan should throw light on this question.

45. To promote the acceleration of COMECON specialized production it is planned, among other things, to establish a broader multilateral basis. In 1974, the share of specialized deliveries within COMECON under multilateral agreements was approximately 40% (in 1973 it was 29%)(2). To achieve this aim, the 1971 COMECON Comprehensive Programme provides for the setting of what are known as international economic associations. These associations are not international bodies in the legal sense; they have been set up under agreements concluded between enterprises or groups of enterprises in the member countries which are governed by civil law and remain completely independent from the standpoint of property, organization and legal status ("multinational Socialist consortia").

Since 1972, eight such international economic organizations have been formed (see Table 12 at Annex). The GDR participates in all these organizations except Interkomponent, which is a joint Polish/Hungarian electronics industry association; Assofoto and Domochim are exclusively

(1) "Neues Deutschland" of 28th July, 1975

(2) Soviet Foreign Trade, No. 10/1974, page 30

German/Soviet. Very little definite information is available so far on the activities of these associations. According to information given by its Director General, Interatominstrument, which is the oldest association, deals with trade and market surveys; a large number of proposals for specialization have been drawn up and forwarded to the appropriate authorities in the member countries of the association. Interatominstrument is also the first economic organization of COMECON to seek to apply a common trade policy vis-à-vis the West. If the other economic associations have similar responsibilities - and it is not certain that they do - they may provide a new and interesting institutional framework for East-West trade(1).

VI. Current problems of inter-COMECON co-operation

46. The structures and levels of development vary widely (see Table 13 at Annex).

- There are very big differences in the economic capacity of the members of the East European community. As things stand, the Soviet Union alone produces two thirds of the combined national product. This is the basis of Soviet economic and political domination but it has secondary political effects which tend to hamper integration. Any step towards COMECON integration inevitably means that the smaller member countries become even more dependent on the Soviet Union, which therefore reinforces its domination even if this is not the express aim of the Soviet leadership. From the standpoint of the absolute importance of national product, the GDR is the third economic power after the Soviet Union and Poland.

- Within COMECON there are still big differences between nearly all the economic factors: productivity and standard of living, economic organization and foreign trade. Because of these disparities, the national economic planning priorities vary. There are also different traditional approaches to production and consumption and psychological attitudes to economic problems, all of which have an effect on integration as was seen by the European Community in connection with progress towards the economic and monetary union. The GDR is the leading COMECON country for per capita national product which, like the standard of living, is probably about 50% above the COMECON average. The Soviet Union, on the other hand, although the dominant political force, comes more within the category of the weaker economy countries.

(1) See Jochen Bethkenhagen and Heinrich Machowski: "Integration im Rat für gegenseitige Wirtschaftshilfe. Entwicklung, Organisation, Erfolge und Grenzen" (COMECON integration, its scale, methods, successes and limitations), Berlin 1976

47. The big inequalities and structural differences in the different countries are a serious obstacle to COMECON integration. They explain why the member countries rarely agree on joint economic policy actions and why such actions are generally limited in scope. So far, COMECON economic co-operation has tended to take the form of bilateral co-ordination mainly for the mutual exchange of goods and services and, to a much lesser extent, of technical know-how. In other words, with a few exceptions, the economic decision-takers in the member countries do not consider the COMECON area as "their" market when deciding on investments and production. This is why the production agreements concluded by these countries have so far always respected the existing production organization instead of contributing, through its reorganization, to increased output and economic growth.

48. The harmonization of national economic structures, i.e. the gradual removal of structural features which hamper integration, is the main aim of COMECON in the fairly near future. By levelling up productivity and income differences COMECON hopes at the same time to go some way towards removing the disparities in economic capacity which are a major obstable towards closer economic interdependence. Any progress in COMECON development will depend decisively on the rapid implementation of this process of adjustment. There is no doubt, however, that the necessary harmonization of structures is a long-term venture. At present this problem - which it is planned to overcome by accelerating the growth rate of the less developed economies - is complicated by the jump in world raw material prices which has effected the Communist countries. The international economic changes which have come about since October 1973 have led to the decision to reorganize the pricing system, which makes the future development of the inter-COMECON terms of trade more uncertain and complicates medium-term planning. From 1958 to 1974 the COMECON contract prices were determined in accordance with the following "principles of Bucharest":

- on each occasion prices were negotiated bilaterally between the partners;

- price negotiations were based on world market prices during an agreed reference period (the average world prices for the years 1965 to 1969 were used as a reference for the 1971-1975 five-year period);

- during the negotiations, the "harmful effects of short-term economic factors affecting the capitalist market" were eliminated from the basic prices (in this way, arbitrary considerations or the economic and political power of the contracting parties became an important part of the costing process);

- as a general rule, contract prices have remained unchanged in the medium term throughout the period of a Plan.

49. Leaving aside a few technical questions (what is the price of an item of machinery on the world market?), this costing system did not run into trouble so long as the differences in price rises on the world markets remained limited. The jump in the prices of raw materials at the end of 1973 and during 1974 led the Soviet Union - by far the biggest raw material supplier in COMECON - to urge its partners to ratify the contract prices. It was therefore decided at the 70th session of the COMECON Executive Committee meeting in Moscow last January to "determine inter-COMECON prices each year in future on the basis of the world prices obtaining during the preceding five years"(1).

50. The principle of the flexible price scales calculated over a period of five years ("principle of Moscow") seems to strike a compromise between the interests of the Soviet Union (whose raw material prices will be increased more rapidly than under the Bucharest procedure) and the interests of the COMECON raw material importers; so far, the increase in the cost of raw materials has been noticeably slowed down by the application of the five-year average.

51. But it gradually emerged that special rules had been used for the year 1975. During the last year of the current Five-year Plan the contract prices valid for inter-COMECON trade were adjusted on the basis of the prices obtaining on the world market between 1972 and 1974. According to Hungarian sources - no details on the subject have been published in any of the other COMECON countries - Soviet raw materials prices increased by an average of 52% as a result of this special price adjustment. The price of Soviet oil increased by 130% (to reach US $6.70 a barrel, still one third less than the world price). This new costing system led to a deterioration, during the year in question, of 10% in Hungary's terms of trade with the Soviet Union. This worsening of the terms of trade cost Hungary, in round figures, 140 million transferable roubles or 5.5 milliard forints; this is the equivalent of one-third of the planned 1975 increase in national product.

52. Nothing has been published so far on the results of the price negotiations for trade between the GDR and the Soviet Union. If the terms of trade between East Germany and the Soviet Union deteriorated to the same extent as the Hungarian terms of trade (which is by no means certain), the GDR would be faced this year with additional import costs of 250 transferable roubles or 1.2 milliard valuta Marks. In other words about one-fifth or one quarter of its annual growth in income would then be lost to the Soviet Union.

(1) "Neues Deutschland", 14th February, 1975

53. The costs arising from this worsening of the terms of trade, which will continue until at least 1978, since the GDR is poor in raw materials, will be increased by the investment credits granted to the Soviet Union. During the coming years several large-scale raw material projects will be implemented in the Soviet Union in co-operation with other COMECON countries; some of these projects are given below:

- the Ust-Ilimsk (Western Siberia) cellulose combine, yearly output 500,000 tons, in co-operation with Bulgaria, Czechoslovakia, the GDR, Poland, Rumania and Hungary;

- the Kizhembazhew (Urals) asbestos combine, yearly output 250,000 tons, in co-operation with Bulgaria, Czechoslovakia, the GDR, Poland, Rumania and Hungary;

- a foundry near Kursk, annual output 10 to 12 million tons of steel, in co-operation with Bulgaria, Czechoslovakia, the GDR, Poland, Rumania and Hungary;

- the natural gas pipeline from Orenburg (Siberia) to Ushgorod (Soviet western frontier), 2,750 km in length with an annual capacity of 15.5 milliard cubic metres, in co-operation with Bulgaria, Czechoslovakia, the GDR, Poland, Rumania and Hungary.

54. Generally speaking, the contribution of the GDR and the other participants consists in the supply of goods on credit, mainly capital goods (credits tied to projects and goods), but also consumer goods.

55. The credit is repaid in kind, i.e. with the goods produced in the plant built; the interest, generally 2% a year, is included in the payments in kind.

56. The building of the Orenburg gas pipeline to the Soviet western frontier is a special case: 5 COMECON countries (Bulgaria, Czechoslovakia, the GDR, Poland and Hungary) are each building one section of about 550 km. For this purpose, the GDR and Czechoslovakia have each sent 6,000 construction workers to the Soviet Union and Poland has sent 4,500. In addition, the five countries grant the Soviet Union credits in freely convertible currency for the purchase of the special (144 mm diameter pipes) required for the gas pipeline; these pipes have to be imported from the West, mainly the Federal Republic. The amount of the credit is not known but it can be estimated at about DM. 500 million for a 550 km section, to be financed by each of the five countries.

57. The GDR's economic decision-makers must allow for the big increase in the prices of fuels and raw materials in inter-COMECON trade and for the additional cost of investing in the Soviet Union by boosting exports and making adjustments to the domestic economy (for example by reducing the consumption of certain specific materials); the expansion of exports to the Soviet Union will probably be one of the main aims of official foreign trade policy during the next few years.

Table 1

Regional pattern of GDR foreign trade

	1956/60(1)	1961/65(1)	1966/70(1)	1971	1972	1973	1974	1956/60(1)	1961/65(1)	1966/70(1)	1971	1972	1973	1974
	EXPORTS							IMPORTS						
All countries in millions of transferable roubles(2) comprising in % terms:	1,706	2,407	3,453	4,569	5,128	5,609	6,524	1,594	2,238	3,394	4,483	4,897	5,857	7,194
Socialist countries	75.9	77.1	74.6	74.5	75.4	73.2	68.4	72.9	76.0	72.2	68.7	66.5	64.5	60.2
COMECON countries(3)	68.1	72.8	69.2	70.1	71.7	69.9	64.7	64.5	71.5	68.3	66.0	63.5	62.0	57.4
Bulgaria	2.3	3.2	3.6	3.5	3.8	4.0	3.9	2.2	3.1	3.5	3.6	3.4	3.5	3.0
Czechoslovakia	8.2	9.1	9.8	9.3	9.4	10.1	10.0	8.1	9.4	9.4	9.5	9.3	8.6	7.5
GDR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Poland	8.6	8.9	8.2	9.0	9.5	9.8	8.7	5.7	4.9	5.8	6.1	6.8	8.2	7.2
Rumania	2.0	2.3	2.4	3.0	3.0	3.1	3.1	1.9	2.1	2.3	2.6	2.8	3.4	3.1
USSR	43.1	44.9	39.9	38.2	40.2	37.8	32.7	43.8	47.5	42.3	38.0	35.0	31.6	30.2
Hungary	3.8	4.4	5.1	6.0	5.1	4.4	5.6	3.8	4.3	4.8	5.1	5.6	5.9	5.0
OECD countries	19.6	17.6	18.3	18.8	19.0	19.3	23.4	22.0	19.0	21.0	24.4	26.1	25.5	28.5
Federal Republic of Germany	11.0	9.2	9.2	10.0	9.2	9.5	9.9	10.9	9.0	10.2	10.3	11.5	8.9	8.9
France	0.5	0.5	0.9	1.3	1.5	1.4	1.6	0.8	1.0	1.1	2.3	2.5	1.3	1.3
Italy	0.4	0.5	0.8	0.8	0.8	0.8	0.9	0.5	0.7	0.8	0.6	0.8	1.0	1.2
United Kingdom	0.8	0.9	0.8	1.1	1.6	1.3	2.3	1.8	1.6	1.5	1.9	1.6	1.3	2.7
United States	0.3	0.2	0.2	0.2	0.1	0.2	0.2	0.3	0.1	0.7	1.3	1.2	1.7	1.6
Japan	.	0.3	0.5	0.2	0.2	0.2	0.2	.	0.1	0.2	1.0	1.1	0.9	0.7
Developing countries	2.9	3.4	3.8	3.9	3.2	3.4	3.7	2.4	3.5	3.3	3.2	2.4	2.6	4.7

Values FOB for purchaser countries and vendor countries; at world market prices during the period under review

(1) Yearly average

(2) The transferable rouble is the COMECON countries' foreign trade unit and is officially worth 0.987412 grammes of gold. Until 1971: 1 TR rouble = US $1.11, 1972: 1 TR rouble = US $1.21, 1973: 1 TR rouble = US $1.34, 1974: 1 TR rouble = US $1.32

(3) Up to 1970 excluding Cuba

(4) Figures taken separately from the statistics

Source: GDR Statistical Year-book for the different years

ANNEX to
AC/127-WP/468

Table 2: GDR trade balance(1) in millions of transferable roubles(2)

	1960/70(3)	1971	1972	1973	1974	1960/74(3)
All countries	1,155	86	231	- 248	- 670	554
Socialist countries	1,453	326	613	331	132	2,856
COMECON countries(4)	1,216	247	566	288	90	2,406
Bulgaria	77	- 3	31	16	42	164
Czechoslovakia	154	- 3	25	59	111	346
GDR	-	-	-	-	-	-
Poland	1,024	138	158	73	50	1,444
Rumania	66	24	15	- 25	- 20	60
USSR	- 267	40	344	268	- 41	344
Hungary	102	47	- 12	- 99	4	42
OECD countries	- 435	- 236	- 302	- 412	- 522	-1,908
Federal Republic of Germany	- 28	- 2	- 90	14	5	- 102
France	- 97	- 47	- 47	- 5	7	- 180
Italy	- 10	9	4	- 18	- 24	- 39
United Kingdom	- 196	- 38	2	- 5	- 42	- 279
United States	- 85	- 50	- 50	- 92	- 103	- 380
Japan	- 63	- 37	- 43	- 41	- 34	- 92
Developing countries(5)	103	32	50	41	- 97	130

FOB values, for purchaser countries and vendor countries
(1) Surplus: +, deficit: -
(2) See footnote (2) to Table 1
(3) Aggregate values
(4) Until 1970 without Cuba
(5) Figures taken individually from the statistics

Source: GDR Statistical Year Book, relevant years

-2-

ANNEX to
AC/127-WP/468

Table 3

The GDR as a trading partner of the COMECON countries between 1960 and 1973

	GDR share of		GDR position with respect to			
	Exports	Imports	Exports		Imports	
			1960	1973	1960	1973
	In relation to the countries listed					
	In %		Position			
Bulgaria	8.6	8.9	2nd	2nd	2nd	2nd
Czechoslovakia	10.8	11.9	2nd	2nd	2nd	2nd
Poland	8.3	11.0	2nd	2nd	2nd	2nd
Rumania	6.3	6.3	2nd	3rd	3rd	3rd
USSR	15.3	15.7	1st	1st	1st	1st
Hungary	9.9	10.8	2nd	2nd	2nd	2nd

At world market prices during the period under review

Sources: Foreign trade statistics of the countries listed

Table 4

Pattern of GDR foreign trade

In %

Categories of goods(1)	1960	1965	1970	1973	1974	1960	1965	1970	1973	1974
	Exports					Imports				
Total goods	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Machinery and plant	49.0	49.8	51.7	51.4	48.2	12.7	18.0	34.2	33.0	30.3
Fuel, raw materials, minerals, metals	15.7	12.9	10.1	10.8	14.2	38.5	39.1	27.6	24.4	26.8
Chemicals and construction materials	14.3	12.2	10.6	11.7	12.2	4.3	5.8	5.6	9.6	11.7
Agricultural produce	5.9	6.0	7.4	9.0	9.2	39.2	33.1	28.1	24.6	24.6
Industrial consumer goods	15.1	19.1	20.2	17.1	16.2	5.3	4.0	4.5	8.4	6.6

At world market prices during the period under review

(1) System for compiling trade statistics applied by COMECON

Source: Polish Foreign Trade Year-book 1975

Table 5 Pattern of GDR trade with the COMECON countries

In %

Categories of goods(1)	1960	1964	1965	1967	1960	1964	1965	1967
	Exports				Imports			
Total goods	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Machinery and plant	56.3	55.8	58.6	57.8	11.9	15.1	17.9	30.7
Fuel, raw materials, minerals, metals	15.7	13.0	12.6	11.7	45.3	48.7	47.3	36.0
Chemicals and construction materials	11.7	10.2	9.5	9.6	3.1	3.7	3.6	3.3
Agricultural produce	2.7	2.6	1.8	1.7	35.1	29.4	27.0	25.2
Industrial consumer goods	12.8	18.3	16.8	18.6	4.5	3.2	3.4	4.0

World market prices during the period under review

(1) System for compiling trade statistics applied by COMECON

Source: V.N. Shukov, U.Ja. Olshevich: Theoretical and methodológical problems of improving pricing on the COMECON market (in Russian), Moscow 1969

-5-

Table 6

GDR foreign trade broken down by categories of goods and by country, 1965

In %

Categories of goods(1)	All countries	Of which			All countries	Of which		
		USSR	COMECON excluding USSR	Other countries		USSR	COMECON without USSR	Other countries
			Exports				Imports	
Total goods	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Machinery and plant	47.5	62.2	53.1	20.4	15.0	8.2	34.7	8.9
Fuel, raw materials, minerals, metals	29.0	18.1	23.8	50.1	61.5	77.9	43.5	53.6
Agricultural produce	3.0	0.1	1.0	9.2	20.5	13.6	13.0	35.4
Industrial consumer goods	20.5	19.6	22.1	20.2	3.0	0.3	8.8	2.1

(1) System for compiling trade statistics applied by the COMECON

Source: J.M. Montias: "The structure of COMECON trade and the prospects for East-West exchanges", published in Reorientation and Commercial Relations of the Economies of Eastern Europe, Joint Economic Committee, Congress of the United States, Washington 1974.

Table 7

GDR external trade broken down by categories of goods and by certain selected countries, 1972

In %

Categories of goods (1)	COMECON (2)	Of which: USSR	Czechoslovakia	Poland	Hungary	OECD countries	Intra-German trade	COMECON (2)	Of which: USSR	Czechoslovakia	Poland	Hungary	OECD countries	Intra-German trade
	Exports							Imports						
Total goods	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Raw materials and semi-finished goods	11.3	8.2	15.9	18.2	13.9	29.9	33.4	39.1	52.2	16.5	29.7	7.3	32.5	50.7
Capital equipment	57.9	59.8	48.8	60.8	54.7	28.6	11.5	26.1	18.5	35.5	43.1	36.0	38.1	20.5
Consumer goods	15.1	19.6	7.6	9.9	4.3	19.9	32.9	5.8	5.8	8.4	1.8	6.2	6.0	12.0
Agricultural produce	0.4	-	0.6	0.3	2.7	13.8	21.5	4.3	2.3	0.8	2.9	25.2	16.6	15.6
Unclassified goods	15.4	12.4	27.1	10.8	24.4	7.8	0.7	24.7	21.2	38.8	22.5	25.3	6.8	1.2

(1) System for compiling trade statistics applied by the West German industrial statistical services

(2) Only the four countries listed

Source: "Deutsches Institut für Wirtschaftsforschung" (German Institute for Economic Research) (publisher): DDR-Wirtschaft, eine Bestandsaufnahme (GDR economy and inventory), Frankfurt/Main 1974

Table 8 Regional breakdown of GDR mechanical engineering exports(1) between 1964 and 1972

	1964	1965	1966	1967	1968	1969	1970	1971	1972
Total in millions of transferable roubles	1163.3	1269.5	1343.4	1492.2	1662.3	1808.9	2017.5	2256.4	2521.4
	Share of groups of countries in % terms								
COMECON countries(2)	86.6	86.1	82.1	.	.	80.7	80.0	80.5	84.1
USSR	.	.	.	48.1	50.0	48.7	44.6	43.0	47.3
Other Socialist countries	4.3	3.5	6.4	40.6	39.5	6.7	7.4	6.9	4.3
Industrialized Western countries	5.6	6.1	5.7	5.8	6.0	7.5	7.8	8.0	6.9
Developing countries	3.5	4.3	5.8	5.5	4.5	5.1	4.8	4.6	4.7

(1) According to the SITC system for compiling trade statistics (probably Part 7)

(2) Including Albania and Mongolia but excluding Cuba

Source: GDR Statistical Year-book for the different years

ANNEX to
AC/127-WP/468

Table 9

Exports by certain GDR industrial sectors as a percentage of their output, 1966

Industrial Sector	Production: Millions of Marks	ordered by final consumer for export (total)(1): Millions of Marks	Proportion of exports in percentage terms (3:2)	Exports in millions of V-M	Ratio between M and V-M (3:5)
(1)	(2)	(3)	(4)	(5)	(6)
Mechanical engineering in general and heavy engineering	9,307	3,421	37.0	3,111(2)	1.10
Electrical engineering	6,749	2,018	29.9	1,229	1.64
Automobile construction	4,827	1,810	37.5	1,025	1.77
Shipbuilding	1,255	749	59.7	474	1.58
Mechanical engineering industry as a whole(3)	22,138	7,998	36.1	6,269	1.28

(1) Order by final consumer: private and public consumption, investments and exports. In the terminology of GDR statistics: final production

(2) Excluding business machines

(3) Total of sectors listed

Source: Based on: "Statistische Praxis" (Statistical Practice), No. 7/1968 and GDR Statistical Year-book 1968

Table 10

Soviet capital equipment imports from East Germany between 1955 and 1974

(in millions of transferable roubles)

CTN-NR.	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
CTN 1-9	455.7	563.7	667.9	734.2	800,5	836,2	788,2	966,4	1173,2	1194,9
CTN 1	350.0	327.5	355.4	417.7	477,8	513,1	440,1	538,4	613.3	658.4
10	20.8	26.6	27.9	39.9	40,0	40,3	41,7	52,1	55.6	59,1
11	36.1	34.2	26.8	29.0	27,3	31,0	32,3	45.7	54.9	57,2
110	28.1	22.6	16.9	18.4	17,8	20,7	22,8	26,7	30.6	32,4
111	8.0	11.5	9.9	10.6	9,5	10,2	9,5	18,5	23.6	24,3
112	.	.	.	.	.	.	.	0.5	0.4	0,4
12	40.6	35.7	36,9	29.5	22,4	24,9	26,1	36,8	39.4	42,4
13	28.9	23.6	19,3	18.1	16,5	20,1	18,6	24,1	27,3	24,2
14	34.4	27.7	33.9	44.8	52,5	49,2	51,0	69,6	64.8	64,6
15	54.8	64.1	69.7	94.0	107,8	109,9	97,5	90,1	119.0	136,8
17	10.2	10.6	14.9	16.9	20,1	23,4	28,0	35,9	41.4	38,9
170/171	6.8	6.9	9.6	11.5	15,0	18,0	21.4	26,0	30.9	27.0
172	3.3	3.2	4.3	4.6	4,2	4,6	5,4	6,5	9.4	10,2
174	0.0	0.2	0.4	0.1	0,0	0,0	0,2	0,2	0.2	0,1
177	.	0.1	0.4	0.6	0,6	0,7	0,8	1,0	0.7	1,5
18	10.5	4.3	5.6	7.6	5,9	0,3	5,5	10,7	19,1	33,3
19	113.4	110.3	119.9	137.3	185,0	213,6	139,0	173,1	191,4	201,5
190	40.7	35.7	59.8	70.1	84,8	84,2	80,8	98,4	112.3	102,4
191	1.6	2.7	1.8	0.5	0,5	0,2	0,4	0,6	2.9	0,5
192	71.0	71.8	58.3	66.6	99,5	129,1	57,8	74,1	76,1	98,6

ANNEX to
AC/127-WP/468

Table 10
contd.

Soviet capital equipment imports from East Germany between 1955 and 1974

(in millions of transferable roubles)

CTN-NR.	1964	1965	1966	1967	1968	1968	1970	1971	1972	1973	1974
CTN 1-9	1194.9	1156.2	1114.2	1271.4	1444,7	1466,4	1556.9	1727.5	2034.7	2108,9	2150,7
CTN 1	658.4	646.7	581.7	663.8	785,7	838,7	921.6	979.7	1216.6	1304.5	1334,7
10	59,1	52.0	52.7	53.1	55,5	55,9	77.4	71.3	97.5	100,4	99,4
100	.	.	.	.	.	.	34.5	45.1	62.3	65,0	61,6
101/103	.	.	.	.	.	.	42.8	26.1	34.5	30,7	29,2
11	57,2	50.4	44.8	46.0	43,9	56,8	83.7	91.5	97.3	98,4	93,7
110	32.4	30.2	27.4	26.6	21.2	27,8	20.9	22.5	23.7	24,2	20,5
111	24.3	19.5	17.3	19.3	22,6	29,0	28.3	31.1	35.2	37,2	37,1
112	0.4	0.6	.	.	.	.	.	.	.	.	
113	.	.	.	.	.	.	34,4	37.7	38,2	36,8	36,1
12	42.4	55.6	29.7	66.6	86,8	62,3	41.2	35.0	36.7	36,9	67,8
120	.	.	.	.	.	.	7.9	3.3	2.0	2,6	3,4
121	.	.	.	.	.	.	1.3	1.2	1.1	1,2	1,8
123	.	.	.	.	.	.	24.6	22.0	29.9	22,1	37,8
127	.	.	.	.	.	.	6.8	8.3	3.6	10,9	24,8
129	.	.	.	.	.	.	0.4	0.0	.	.	.
13	24.2	20.9	30.6	29.2	29,8	49,5	66.3	68.2	70.6	75,0	76,6
130	.	.	.	.	.	.	61.5	63.0	66.6	71,8	73,2
132	.	.	.	.	.	.	1.1	0.9	0.4	0,5	0,5
14	64.6	63.6	70.8	76.4	97,4	60,8	76.4	81.2	104.9	112,7	100,3
140	.	.	.		.	.	36.6	36.0	40.5	46,9	45,2
142	.	.	.	.	.	.	17.5	26.8	37.9	38,6	30,7
143	.	.	.	.	.	.	1.2	2.6	2.9	3,0	2,0
144	.	.	.	.	.	.	17.6	12.9	19.0	20,1	20,1
145	.	.	.	.	.	.	3.4	2.7	4.3	4.0	2,3
15	136.8	144.5	128.1	132.4	158,3	144,9	235.0	191.1	227.7	246,6	251,6
150	.	.	.	.	.	.	52.7	42.8	67.9	82,5	94,1
151	.	.	.	.	.	.	0.4	0.0	0.1	0,2	0,1
152	.	.	.	.	.	.	0.2	0.0	0.1	.	.
153	.	.	.	.	.	.	10.8	11.7	11.8	14,1	15,7
154	.	.	.	.	.	.	19.5	9.1	4.9	5,1	4,5
155	.	.	.	.	.	.	7.0	6.0	11.3	11,0	10,2
156	.	.	.	.	.	.	4.8	5.5	5.3	4,5	3,4
157	.	.	.	.	.	.	16.4	17.1	18.0	14,8	17,7
159	.	.	.	.	.	.	123.7	96.5	107.8	114,0	106,1
17	33.9	33.9	30.9	34.9	34,5	42,1	42.6	58.7	59.8	52,5	49,3
170/171	27.0	21.8	22.7	24.7	24,1	29,3	31,6	42.0	43.1	37,6	35,5
172	10.2	10.4	6.6	8.5	8,6	10,9	8.7	15.1	15.3	13,3	12,7
174	0.1	0.1	.	.	.	.	.	.	.	.	.
177	1.5	1.4	1.5	1.6	1,7	1,7	2.2	1.6	1.4	1,2	1,1
18	33.3	32.4	27.7	39.2	50,4	51,9	57,6	81.4	120.0	131,6	121,2
180	.	.	.	.	.	.	11.9	12.2	8.5	0,5	0,2
181	.	.	.	.	.	.	45.7	69.1	111.4	131,2	121,0
19	201.5	193.0	156.1	185.6	248,9	232,2	239.2	212.2	263.2	285,3	294,8
190	102.4	86.2	69.9	84.4	86,9	89,7	90.8	92.1	91.2	108,9	107,4
191	0.5	0.7	0.7	3.1	3,0	2,9	5.0	20.8	92.9	39,9	16,4
192	98.6	106.0	95.4	98.0	138,9	139,6	143.3	99.2	129.0	136,5	171,0

Table 11 Soviet capital equipment imports from East Germany between 1955 and 1974

(in %)

CTN-GR.	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
CTN 1-9	100.0	100.0	100.0	100.0	100,0	100,0	100,0	100,0	100,0	100,0
CTN 1	76.0	59.8	51.6	56.8	59,6	61,3	55,8	55,7	52,2	55,1
CTN 1	100.0	100.0	100.0	100.0	100,0	100,0	100,0	100,0	100,0	100,0
10	5.9	7.9	7.8	9.5	8,3	7,8	9,4	9,6	9,0	8,9
11	10.3	10.1	7.5	6.9	5,7	6,0	7,3	8,5	6,9	8,6
110	8.0	6.7	4.7	4.4	3,7	4,0	5,1	4,9	4,9	4,9
111	2.2	3.4	2.7	2.5	1,9	2,0	2,1	3,4	3,8	3,7
112	.	.	.	.	.	.	.	0.1	0.0	0,0
12	11.6	10.5	10.3	7.0	4,7	4,8	5,9	6,8	6,4	6,4
13	8.2	6.9	5.4	4.3	3,4	3,9	4,2	4,4	4,4	3,6
14	9.8	8.2	9.5	10.7	16,9	9,5	11,5	12,9	10,5	9,8
15	15.6	19.0	19.6	22.5	22,5	21,4	22,1	16,7	19,4	20,7
17	2.9	3.1	6.2	4.0	4,2	4,5	6,3	6,6	6,7	5,9
170/171	1.9	2.0	2.7	2.7	3,1	3,5	4,8	4,8	5,0	4,1
172	0.9	0.9	1.2	1.1	0,8	0,8	1,2	1,2	1,5	1,5
174	0.0	0.0	0.1	0.0	0,0	0,0	0.0	0,0	0.0	0,0
177	.	0.0	0.1	0.1	0,1	0,1	0.1	0,2	0,1	0,2
18	3.0	1.2	1.6	1.8	1,2	0,0	1,2	1,9	3,1	5,0
19	32.4	32.6	33.7	32.8	38,7	41,6	31,6	32,1	31,2	30,6
190	11.6	10.5	16.8	16.7	17,7	16,4	18,3	18,2	18,5	15,5
191	0.4	0.8	0.5	0.1	0,1	0,0	0.0	0,1	0,4	0,0
192	20.2	21.2	16.4	15.9	20,8	25,1	13,1	13,7	12,4	14,9

ANNEX to
AC/127-WP/468

Table 11 contd.

Soviet capital equipment imports from East Germany between 1955 and 1974

(in %)

CTN-NR.	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
CTN 1-9	100.0	100.0	100.0	100.0	100,0	100,0	100.0	100,0	100,0	100,0	100,0
CTN 1	55.1	55.9	52.2	52.2	54,3	57.2	59.1	56.7	59,7	61.8	62,1
CTN 1	100.0	100.0	100.0	100.0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
10	8.9	8.0	9.0	8.0	7,0	6.6	8.4	7.2	8.0	7,7	7,4
100	.	.	.	.	.	.	3.7	4.6	5.1	4.9	4,6
101/103	.	.	.	.	.	.	4.6	2.6	2.8	2.3	2,2
11	8.6	7.7	7.7	6.9	5,5	6.7	9.0	9.3	7.9	7,5	7,0
110	4.9	4.6	4.7	4.0	2,7	3,3	2.2	2.3	1.9	1,8	1,5
111	3.7	3.0	2.9	2.9	2,8	3,4	3.0	3.1	2.9	2.8	2,8
112	0.0	0.1	.	.	.	.	.	.	.	.	.
113	.	.	.	.	.	.	3.7	3.8	3.1	2,8	2,7
12	6.4	8.6	5.1	10.0	11,0	7,4	4.4	3.5	3.0	2,8	5,1
120	.	.	.	.	.	.	0.8	0.3	0.1	0.1	0,3
121	.	.	.	.	.	.	0.1	0.1	0.0	0.0	0,1
123	.	.	.	.	.	.	2.6	2,2	2.4	1.7	2,8
127	.	.	.	.	.	.	0.7	0.8	0.2	0,8	1,9
129	.	.	.	.	.	.	0.0	0.0	.	.	.
13	3.6	3.2	5.2	4.4	3,8	5,9	7.2	6.9	5.8	5.7	5,7
130	.	.	.	.	.	.	6.6	6.4	5.4	5.5	5,5
132	.	.	.	.	.	.	0.1	0.0	0.0	0.0	0,0
14	9.8	9.8	12.1	11.5	12,4	9,6	8.2	8.2	8.6	8.6	7,5
140	.	.	.	.	.	.	3.9	3.6	3.3	3.5	3,4
142	.	.	.	.	.	.	1.8	2.7	3.1	2.9	2,3
143	.	.	.	.	.	.	0.1	0.2	0.2	0.2	0,1
144	.	.	.	.	.	.	1.9	1.3	1.5	1.5	1,5
145	.	.	.	.	.	.	0.3	0.2	0.3	0,3	0,2
15	20.7	22.3	22.0	19.9	20,1	17.2	25.5	19.5	18.7	18.9	18,9
150	.	.	.	.	.	.	5.7	4.3	5.5	6,3	7,1
151	.	.	.	.	.	.	0.0	0.0	0.0	0.0	0,0
152	.	.	.	.	.	.	0.0	0.0	0.0	.	.
153	.	.	.	.	.	.	1.1	1.1	0.9	1.0	1,2
154	.	.	.	.	.	.	2.1	0.9	0.4	0.3	0,3
155	.	.	.	.	.	.	0,7	0.8	0.9	0,8	0,8
156	.	.	.	.	.	.	0.5	0.5	0.4	0,3	0,3
157	.	.	.	.	.	.	1.7	1.7	1.4	1.1	1,3
159	.	.	.	.	.	.	13.4	9.8	8,8	8,7	7,9
17	5.9	5.2	5.3	5.2	4,3	5.0	4.6	5.9	4.9	4.0	3,7
170/171	4.1	3.3	3.9	3.7	3,0	3.5	3.4	4.2	3.5	2.9	2,7
172	1.5	1.6	1.1	1.2	1.1	1.3	0.9	1.5	1.2	1,0	1,0
174	0.0	0.0	.	.	.	.	.	.	.	.	.
177	0.2	0.2	0,2	0.2	0,2	0,2	0.2	0.1	0.1	0,0	0,1
18	5.0	5.0	4.7	5.9	6,4	6.1	6.2	8.3	9.8	10,1	9,1
180	.	.	.	.	.	.	1.2	1.2	0.7	0,0	0,0
181	.	.	.	.	.	.	4.9	7,0	9,1	10,0	9,1
19	30.6	29.8	28.5	27.9	29,1	27,6	25.9	21.6	21.6	21,8	22,1
190	15.5	13.3	12.0	12.7	11,0	10,6	9.8	9.4	7.5	8,3	8,0
191	0.0	0.1	0.1	0.4	0,3	0,3	0.5	2.1	7.6	3,0	1,2
192	14.9	16.3	16.3	14.7	17,6	16,6	15.5	10.1	10.6	10,4	12,8

Appendix to Tables 10 and 11

CATEGORIES OF ITEMS UNDER THE COMECON CLASSIFICATION SYSTEM (CTN)

1. Machinery and equipment

10. Mechanical equipment for initial processing of metals

100 trimming machine tools
101 presses
102 hammers
103 other moulding machines

11. Power industry and electrotechnical equipment

110 equipment for the power industry
111 electrotechnical equipment
112 electrode production
113 cables and wires

12. Equipment for the mining industry, metallurgical industry and petroleum industry

120 equipment for mines and mine shafts
121 crushing plant
122 metallurgical equipment
127 oil drilling equipment
129 equipment for the oil processing industry

13. Hoisting and transport equipment

130 cranes and spare parts
132 hoists and spare parts

14. Plant for food industry and light industry

140 equipment for food industry
142 equipment for refrigeration industry
143 equipment for tobacco industry
144 equipment for textiles industry and light industry
145 equipment for clothing industry

15. Plant for chemical, wood, paper, building and related industries

150 equipment for chemical industry
151 equipment for paper and wood industry
152 machinery for working wood and spare parts
153 equipment for the building materials industry
154 building industry machinery and road making machinery
155 pump and compressor equipment
156 public services and fire-fighting equipment
157 equipment for the printing industry
159 equipment for other industrial sectors

Appendix to Tables 10 and 11

17. Medical and laboratory equipment and instruments

170
171 laboratory apparatus and equipment
172 medical instruments
174 tools
177 abrasives

18. Tractors and agricultural machinery

180 tractors
181 agricultural machinery

19. Transport facilities

190 rolling stock
191 vehicles and garage plant
192 shipping and equipment for shipping

Table 12

COMECON INTERNATIONAL ECONOMIC ASSOCIATIONS

	Founded Head Office	Function, tasks	Members(1) (As at 1974)
Interatominstrument	1972 Warsaw	Co-operation on research, manufacture and sales in the field of nuclear appliance production	Joint industrial ventures and foreign trade companies: B, CZ, GDR, P, USSR, H
Assofoto	1973 Moscow	Joint planning in the photochemical industry	Joint industrial venture and industrial combine: GDR, and USSR
Interatomenergo	1973 Moscow	Co-ordination on research, development and manufacture in the production of atomic power station plant	Joint industrial ventures: B, CZ, GDR, Y, P, R, USSR, H
Intertextilmasch	1973 Moscow	Co-operation on research, development, production, sales and after-sales service in various parts of the textile machinery manufacturing sector	Joint industrial ventures: B, CZ, GDR, P, R, USSR, H
Interport	1973 Stettin (Szczecin)	Co-ordination in the use of port capacities	Seaports: GDR and P

(1) Abbreviations used for members: A = Albania, B = Bulgaria, CPR = Chinese People's Republic, CU = Cuba, NK = North Korea, H = Hungary, M = Mongolia, P = Poland, R = Romania, CZ = Czechoslovakia, NV = North Vietnam, Y = Yugoslavia
( ) = agreement on co-operation

Table 12 (contd.)   COMECON INTERNATIONAL ECONOMIC ASSOCIATIONS

	Founded Head Office	Function, tasks	Members (As at 1974)
Interkomponent	1973 Warsaw	Co-ordination in research, production and procurement of manufacturing licences in non-COMECON countries in the electronic component sector	Joint industrial ventures: P and H
Domochim	1974 Moscow	Co-ordination and joint planning in the domestic applications of the chemical industry	Joint industrial ventures: GDR and USSR
Interchemiefaser	1974 Moscow	Co-ordination and joint planning in the synthetic fibre manufacturing sector	Joint industrial ventures: B, CZ, GDR, P, R, USSR, H, (Y)

Source: Jochen Bethkenhaben, Heinrich Machowski: Integration im Rat für gegenseitige Wirtschaftshilfe (Integration within COMECON), Berlin 1976

Table 13 Selective statistical breakdown of the COMECON national economies in 1973(1)

	Unit	Bulgaria	Czecho-slovakia	GDR	Poland	Rumania	USSR	Hungary	COMECON
Surface area	1000 sq.km	110.9	127.9	108.2	312.7	237.5	22 402.2	93.0	23 392
	COMECON = 100	0.5	0.5	0.5	1.3	1.0	95.8	0.4	100
Population	Million persons	8.7	14.6	17.0	33.4	20.8	249.8	10.4	354.7
	COMECON = 100	2.5	4.1	4.8	9.4	5.9	70.4	2.9	100
Working population	Million persons	4.5(3)	7.2	8.3	16.4	10.0	124.4(3)	5.1	175.9
	COMECON = 100	2.6	4.1	4.7	9.3	5.7	70.7	2.9	100
in industry	%	31.6	38.7	38.3	28.5	27.9	37.0	35.5	35.3
in agriculture	%	32.3	14.5	11.7	32.1	42.0	25.0	24.4	25.5
National product (NP)(3)	Milliards of roubles	14.7	28.3	35.5	50.5	30.8	323.8	18.4	502.0
	COMECON = 100	2.9	5.6	7.1	10.1	6.1	64.5	3.7	100
National product per inhabitant(3)	roubles	1688	1940	2087	1513	1482	1296	1774	1415
	COMECON = 100	118.9	136.6	147.0	106.5	104.4	91.3	124.9	100
Share in NP									
of industry	%	49.1(2)	60.9	61.6	50.4	58.1	51.3	43.7	52.6
of agriculture	%	21.9(2)	8.5	10.6	14.0	18.5	20.3	17.5	18.2
Foreign trade turnover(4)	Milliards of transferable roubles(5)	4.9	8.9	11.5	10.7	5.4	31.3	6.1	78.8
	COMECON = 100	6.2	11.3	14.6	13.6	6.9	39.7	7.7	100
internal trade between COMECON countries	%	77.0	64.7	65.7	53.1	42.9	54.1	62.5	58.3
foreign trade turnover per inhabitant	Transferable roubles	563	610	674	320	260	125	587	222
	COMECON = 100	255.9	277.3	306.4	145.5	118.2	56.8	266.8	100

(1) with the exception of Albania, Cuba and Mongolia
(2) 1972
(3) estimated
(4) exports and imports
(5) transferable roubles, the Soviet foreign trade unit of account
1 tr. rouble = 0.987412 g of gold, 1973: 1 tr. rouble = DM. 3.62

Source: Jochen Bethkenhagen, Heinrich Machowski: Integration im Rat für gegenseitige Wirtschaftshilfe (Integration within COMECON), Berlin, 1976