



Volume 8. Occupation and the Emergence of Two States, 1945-1961

From a Resolution Passed by the Central Committee of the Socialist Unity Party: The “New Course” and the Party’s Objectives (July 26, 1953)

On July 26, 1953, the Central Committee of the SED affirmed its “New Course” in economic policy. It was a move to ease the popular discontent that had become so apparent in the uprising of June 17, 1953. The first Five-Year Plan of 1950 was revised. The expansion of heavy industry would be slowed down in favor of greater investments in the production of foodstuffs and consumer goods, with the goal being to improve the supply situation and range of goods available to East Germans.

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18. The following measures are necessary to achieve the most important objectives of the “New Course”:

a) *Modification of the Five-Year Plan and the National Economic Plan for 1953* in the direction of limiting investments in heavy industry and expanding the production of consumer goods.

In 1953, production in heavy industry is to be increased by roughly 5.5 to 6%, instead of the 13% laid out in the previous plan. In light industry, production is to be boosted by nearly 10%, instead of the 7.1% laid out in the previous plan.

In 1954 and 1955, gross industrial production will be increased annually by an average of 7%. The production of capital equipment must be increased annually by about 5% and the production of consumer goods by about 10%.

Production in the crafts sector needs to be raised annually by an average of 10 percent, and the production of private industry must likewise be boosted above 1953 levels.

For the years 1954 and 1955, investments in metallurgy, ore mining, machine building, chemicals, and construction materials must be substantially reduced from the targets included in the Five-Year Plan.

By contrast, investments to expand capacities in the energy, coal, transportation, and agricultural sectors must not be subject to restrictions. Production capacities must be added in light industry, as well as in the food, beverage, and tobacco industries.

Housing construction must be expanded.

In 1954 and 1955, grain yields per hectare must be increased over the targets included in the Five-Year Plan.

In the area of animal husbandry, the growth in cow stocks must approximate the targets in the Five-Year Plan. Pig stocks must exceed targets, however. Special attention must be paid to reducing the fattening period and increasing slaughter weights.

Machine and tractor stations must be equipped with an even larger number of tractors and agricultural machines.

Retail sales must exceed [the targets in] the Five-Year Plan, reflecting the growing purchasing power of the population and the larger range of goods. Sales in the private retail sector must also be substantially increased.

An additional objective set by the Central Committee of the Socialist Unity Party is to boost sales of goods in the second half of 1953 by about 30% over the first half of the year – including a 25% increase in the sale of food, beverages, and tobacco, and a nearly 40% percent increase in the sale of industrial goods.

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Source: From a Resolution Passed by the Central Committee of the Socialist Unity Party: The “New Course” and the Party’s Objectives (July 26, 1953), *Dokumente der Sozialistischen Einheitspartei Deutschlands* [*Documents of the Socialist Unity Party of Germany*], vol. IV. Berlin, 1954, p. 458ff; reprinted in Ernst Deuerlein, ed., *DDR* [GDR]. Munich, 1966, pp. 140-41.

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