

CONFIDENTIAL
INFORMATION REPORT

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Doc. 1. Foreign Trade Circular [redacted] announces a trade agreement between the Russian Zone of Germany and Norway. The Russian Zone is to export to Norway potassium salt, porcelain clay, and various other goods, in exchange for imports from Norway of pyrites, salt herring, technical cod-liver oil, talcum, powdered mica, feldspar, and various other goods. Local Chambers of Commerce and Industry are to inform firms in their districts of the agreement, beginning with the publicly owned and larger enterprises and finally including less important firms. Directions for handling trade are contained in DVIA II-20502 and DVIA II.41-20524, both dated 20 February 1948. Import offers may be directed either to former customers or new accounts, but preference is given to importers who can show evidence that they have arranged for exports to Norway. Accounts are to be handled in American dollars. Lists of proposed imports and exports and of the firms concerned were to be prepared by 1 June for the Foreign Trade Administration of SMA and the Interzonal and Foreign Trade office.

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2. On the basis of a one-year agreement with Poland, 30,000 tons of scrap monthly have been exported from the Russian Zone to Poland since 1 April 1948. On 21 May 1948, Poland purchased 1000 tons of kaolin for 36,000 US dollars.
3. In late May 1948, a Swedish trade delegation was in Berlin to negotiate a one-year trade agreement with the Russian Zone to the amount of thirty to forty million Swedish crowns. Sweden proposed to deliver steel in return for chemicals and machines from the Russian Zone. Difficulties in the negotiations were occasioned by the Swedish desire for scrap, which is almost entirely sold to Poland. Projected distribution of purchases was given as follows, with values in Swedish crowns:

Russian Zone desires from Sweden:

Iron and steel	5,675,000 crowns
Non-ferrous metals	1,330,000
Cellulose	5,118,000
Stones and earths	210,000
Miscellaneous	361,000
Total	12,694,000 crowns

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Russian Zone offers to Sweden:

Potash	4,500,000	crowns
Chemicals	1,558,000	
Machires	4,850,000	
Electrotechnical equipment	1,000,000	
Precision mechanics and optics	1,200,000	
Glass	900,000	
Total	14,008,000	crowns

4. On 27 April 1948, six hundred tons of electro-corundum were sold to Hungary for 160,000 US dollars. A negotiation was in progress early in June over an agreement on 20,000,000 US dollars with Czechoslovakia; the Russian Zone wanted steel and rolled work.
5. A trade agreement with the Netherlands was under discussion early in June 1948. Contemplated imports were the following:

Heavy hides	1,000,000	gulden
Automobile oil	1,000,000	
Babbitt white metal	2,500,000	
Tin	1,750,000	
Soldering pewter	700,000	
Vegetables, seeds, seed potatoes	500,000	
Toluol	500,000	
Natural rubber	1,000,000	
Re-used wool	1,000,000	
Casein	600,000	
Fish	600,000	
Bicycle tires	300,000	
Chemicals	500,000	
Total	11,950,000	gulden

Contemplated exports to Holland included the following:

Mining

	<u>Price in Gulden</u>	
Kainite 12-20%	10,000	For super-phosphate
Potash 40%		
Fluorspar		
Salt		

Iron, plate, and metal goods

Agricultural hand implements	50,000	For iron & steel
Various metal products	1,000,000	
Building furniture		
Storm lanterns		
Hand tools		
Textile machine needles	300,000	For needle steel

Machines

Machines and spare parts for		
Metal industry	500,000	For iron & steel
Paper and graphic industry	1,200,000	
Leather industry	80,000	
Chemical industry	200,000	
Food industry	1,000,000	
Wood industry	750,000	
Tobacco industry	200,000	
Agricultural purposes	200,000	
Textile industry	900,000	
Various machines and apparatus	400,000	
Sewing machines (also industrial)	200,000	
Centrifugal pumps	500,000	
Armatures	300,000	

Vehicle construction

Auto and motorcycle parts	250,000	
Bicycle parts, including chains	500,000	For chains: delivery of

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<u>Electrotechnical equipment</u>	<u>Price in Gulden</u>	
Installation material	200,000	For copper
High and low pressure cable	400,000	
Insulation material and technical porcelain	500,000	
Measuring instruments and telephone auxiliary stations	200,000	
Small motors up to 200 VA	10,000	
 <u>Precision mechanics and optics</u>		
Optical raw glass	300,000	
Scientific and optical instruments	100,000	
Surgical, medical, electromedical instruments	100,000	
Dental implements and false teeth	100,000	
Photographic apparatus and parts	300,000	
Office machines, including Bookkeeping machines	250,000	
Standard typewriters	120,000	
Portable typewriters	130,000	
Drawing instruments, tools, pens	50,000	
 <u>Chemistry</u>		
Caustic soda solution 50%		Packing to be provided (tank-cars)
Magnesium chloride 46%	220,000	Packing to be provided
Magnesium sulphate (epsom salts)		
Sodium sulphide	50,000	
Formaldehyde 36%	80,000	
Montan wax	240,000	
Potash K ₂ CO ₃	150,000	
Sensitized material and photo paper	40,000	
X-ray film	150,000	
Various chemical products	50,000	
 <u>Pharmaceuticals</u>		
Pharmaceuticals and raw materials	75,000	
 <u>Stones and earths</u>		
Cement	425,000	Packing to be provided
Abrasives	20,000	
 <u>Wood: Mine timbers, pine wood</u>		
 <u>Paper and Cardboard</u>		
Writing and printing paper without wood	150,000	
Writing and printing paper containing wood, cartons, cardboard	500,000	
Filter paper	10,000	
Books, periodicals, music	300,000	
 <u>Ceramics and glass</u>		
Domestic glass, domestic porcelain, stoneware vessels	200,000	
Technical porcelain and stoneware	75,000	
Tempered glass (hollow glass), technical thermometers	400,000	
Lighting glass	400,000	
Packing glass	25,000	
Incandescent lamp retorts	300,000	

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<u>Textiles and leather</u>	<u>Price in Gulden</u>	
Woven goods	1,000,000	
Socks and stockings, including women's silk hose	1,000,000	
Knit goods	500,000	
Net, lace, curtains	400,000	
Knit gloves	100,000	
Heavy fabric thread for conveyor belts	50,000	
Format fabric thread for cigarette industry	50,000	
Thrown fishnet twine	PM	Cotton from Holland
Improved calfskin	PM	Hides from Holland
 <u>Agriculture</u>		
Super-elite brand white (marien) rye	10,000	
Elite-brand white (marien) rye	21,000	
 <u>Miscellaneous</u>		
Pearl buttons after processing	50,000	Mother of pearl from Holland
Miscellaneous goods	2,000,000	

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