

CONFIDENTIAL
CLASSIFICATION SECRET

CENTRAL INTELLIGENCE AGENCY

REPORT NO. [redacted]

25X1A

INFORMATION REPORT

CD NO.

627

COUNTRY China

DATE DISTR. 30 NOV 51

SUBJECT Chinese Communist Industrial and Shipping Problems

NO. OF PAGES 1

25X1A

NO. OF ENCLS. (LISTED BELOW)

RETURN TO CIA LIBRARY

SUPPLEMENT TO REPORT NO.

25X1X

- In order to attract young graduate engineers in Hong Kong to return to China, the Chinese Communists have been circulating the story that a new automobile plant has been established near Peiping in which vehicle parts shipped from the Soviet Union are assembled. Some of the engineers who have heard the story are planning to return to China since they feel that they will not receive jobs if they remain in Hong Kong until it is taken over by the Chinese Communists.
- Because of a shortage of cotton, the Chinese Communists suspended the operation of textile mills in China for two and one-half months in the spring of 1951. However, after the purchase and barter of cotton from India and Pakistan, Communist authorities felt the industry could continue until the fall cotton harvest. By August the excessively dry weather in North China and the extremely wet weather in Central China had reduced the cotton crop and forced the mills in Shanghai to close again. The Chinese Communists have begun purchasing finished cotton piece goods and yarn in Hong Kong and raw cotton in Macao at premium prices.
- Since the enforcement of restrictions on the import and export of certain items from Hong Kong, the Chinese Communists have started to ship as much material as possible directly from Europe to China through Macao. Two major items being shipped from Germany to China by way of Lisbon and Macao are vaseline and carbon black.

25X1A

- [redacted] reports a shortage of 1,000,000 piculs of raw cotton prior to the arrival of the new cotton crop, and the measures taken by the government to adjust the economy.

Document No. 004
No Change in Class. <input type="checkbox"/>
<input type="checkbox"/> Declassified
Class. Changed To: TS S <input checked="" type="radio"/>
Auth.: HR 70-2
Date: 31/08/78 By: 008

CONFIDENTIAL

STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NSRB	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ARMY	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> FBI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>