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SOURCE Hsing-tao Jih-pao.

COMMUNIST CHINA OBTAINING STRATEGIC MATERIALS
FROM HONG KONG, MACAO, INDIA, AND EUROPE

A survey of the Hong Kong Hsing-tao Jih-pao for all of May and June, and up to 5 July 1952 reveals that, despite the UN embargo, Communist China continues to get strategic materials from Hong Kong, Macao, and abroad. The paper revealed that there are at least five different ways in which Communist China is getting materials into the country, as follows:

1. By Danish, Norwegian, and Dutch Ships

The 1 July 1952 issue, reporting a news item from Canton, dated 29 June 1952, stated that the Central People's Government purchases large amounts of goods, such as raw materials for various industries, metal products, petroleum products, machinery, etc., from several neutral countries in Europe, and sends them directly to Shanghai, Tientsin, and Canton by ships belonging to Denmark, Norway, the Netherlands, and other neutral European countries.

2. By Soviet and Satellite Ships

The 1 July 1952 issue, reporting a news item also from Canton, dated 29 June 1952, stated that the Central People's Government had recently issued an order which would give preferential treatment at Chinese ports to ships belonging to Communist countries over those belonging to non-Communist countries. The order stated that, effective 1 June 1952, all foreign ships which belong to non-Communist countries must hire Russian pilots [sic], or, when they are not available, Chinese pilots authorized by the Harbor Control Bureau, before entering the harbor area. When neither a Russian nor a Chinese pilot is immediately available, the ship must proceed to anchorage areas belonging to the Border Guard Bureau or the Islands Administration Bureau (Hai-tao Kuan-li-chu), and then re-apply for pilot service from there. The order further stated that although ships may enter Chinese territorial waters without a pilot, they may not unload their cargo until authorized to do so.

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The 25 May 1952 issue reported a news item from Canton, dated 24 May 1952, saying that the Communist authorities in Kwangtung Province had completed the dredging of the Ch'en-ts'un channel of the Chu Chiang delta area; and that all civilian vessels are now urged to use this new channel to go in and out of Canton instead of going by way of Lien-hua-shan as in the past. The route via the newly dredged channel is 38 kilometers shorter.

However, according to the Hsing-tao Jih-pao, the main purpose behind this move in trying to divert the traffic through the new channel is to hide the military installations around Shih-tzu-yang and also to leave the Pai-o-t'an area open for the Soviet ships which frequently come in from the north with military supplies. The most recently reported arrival of a Soviet ship at Pai-o-t'an was the Kao-ni-ssu-chi-fu /Koneshev?7, which arrived on 20 June 1952, around 1600, from Vladivostok with a large amount of military supplies, and medicine, metal products, and raw materials for various industries. Its arrival was reported in the 25 June 1952 issue, with a dateline of 24 June 1952 from Canton.

3. By Indian Ships

The 1 July 1952 issue reported a news item also from Canton, dated 29 June 1952, stating that the Canton Harbor Control Bureau is setting aside six mooring buoys at Huang-p'u Harbor which are to be used solely by Indian ships that will soon bring cotton from India in exchange for Chinese grain under the "commercial treaty" being concluded between these two countries.

4. By Canton-Kowloon Railway

The 2 June 1952 issue, reporting a news item originating in Hong Kong, stated that on 1 June 1952, a freight train on the Canton-Kowloon Railway departed from Lo-hu Station for Canton with about 100 tons of Japanese-made rayon thread which had been purchased directly from Japan by the Foreign Trade Office of the Central People's Government.

The 4 June 1952 issue reported that the Canton Branch of the Foreign Trade Office, which recently resumed purchasing various kinds of Western medicine, metal products, dyestuffs, wool, and Japanese-made rayon thread in Hong Kong, is sending most of them to Canton by the Canton-Kowloon Railway. As a result, since the latter part of May 1952, the number of freight trains had increased considerably on the Canton-Kowloon Railway.

The 21 June 1952 issue reported that the amounts of goods transported from Hong Kong to Canton by the Canton-Kowloon railway during the past month was larger than that during the previous month. The goods which were sent to Canton during the past several months consisted mostly of rayon thread, dyestuffs, metal products, Western medicines, and medical instruments. It was reported that about 100 tons of these goods were sent to Canton from Lo-hu Station on 20 June 1952.

5. From Macao by Small Coastal Vessels

The 5 June 1952 issue carried a Chung-yang She report which stated that since mid-April 1952, Communist authorities in Amoy had been purchasing large amounts of petroleum products, mainly diesel oil, in Macao, and shipping them by small coastal vessels to Amoy. At present, there are about 12 motor-sail boats engaged in transporting as much as 150 to 200 tons of diesel oil to Amoy each week. Besides diesel oil, a considerable amount of Western medicine, medical instruments, crude rubber, and metal products are also being shipped from Macao and Amoy.

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The 25 June 1952 issue reported a news item from Canton, dated 23 June 1952, saying that shipping service between Canton and Macao, Chiang-men and Macao, Amoy and Macao, and Swatow and Macao was recently resumed to transport a large amount of goods from Macao to China. The only route which has not yet been resumed is between Shih-chi and Macao. Vessels which are engaged on the Canton-Macao route include the Kuang-fu-lung, Hsin-ming-hsing, Li-hsiung, and Li-te, and those on the Chiang-men--Macao route are the Li-ying, Wei-hsin, Ying-hsing, Lu-yu-li, Li-sheng, Su-ch'ang-sheng, and Chin-li. Approximately 12 vessels now ply between Macao and Amoy, and Swatow and Macao, compared with only three vessels -- the Chin-yung-yuan, Wan-yuan, and another vessel -- which plied these routes last month.

The 30 June 1952 issue reported a news item originating in Hong Kong which stated that private import and export merchants in South China had resumed importing large amounts of goods manufactured abroad, and that Macao has become the main importing point. As a result, the number of coastal vessels engaged in transporting goods between Macao and Canton, Amoy, and Swatow has increased greatly. According to statistics for the last half of June 1952, about 1,800 tons of goods consisting mainly of metal products, electric motors, dyestuffs, wool, liquid fuel, Western medicine, telegraphic apparatus, steel products, etc., were shipped from Macao to Canton during that period.

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