

INFORMATION REPORT

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COUNTRY	East Germany	REPORT	[Redacted]
SUBJECT	Currency Conversion Plans	DATE DISTR.	11 August 1955
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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

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1. Plans for a currency conversion have been prepared by the Ministry of Finance. On a certain day, currency up to the amount of 300 DME will be exchanged at the rate of 1:1. Larger amounts will be exchanged on a sliding scale at the rate of 1:10¹ provided that the source of the money can be explained. Money deposited in savings and checking accounts is to be exchanged at the rate of 1:1 if the regulations concerning currency have been conformed with.
2. State Secretary Josef Hegen² is to be put in charge of these currency conversion measures. At the proper time he is to issue directives concerning the implementation of the operation under the name "Sonder-einsatz Banken 1955".
3. The district offices (Kreisaemter) of the People's Police have not yet been informed about the currency project.³
4. Unpaid SED members and FDGB officials are to take part in the work of the currency exchange. A list containing the names of the Party aids is to be revised at the first of each month.

Comments:

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1. It is probably meant that the exchange rate will depend on the amount to be converted into the new currency. Larger amounts will be exchanged at a more unfavorable rate which will finally reach the proportion of 1:10.
2. State Secretary for Internal Affairs in the Ministry of the Interior.
3. [Redacted] in connection with a rumored currency conversion plan, a system of non-currency coupons (bargeldlose Sparbriefe) to be used as wage and salary payments would be instituted. These coupons are to be valid for one year and may be used to purchase goods in any store.

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(Note: Washington distribution indicated by "X"; Field distribution by "#".)

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