

CLASSIFICATION S-E-C-R-E-T
CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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COUNTRY East Germany
SUBJECT Shortage of Borax and Boric Acid
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THIS IS UNEVALUATED INFORMATION



1. The East German 1955 Import Plan provided for the import of 3,000 metric tons of borax in 1955 for use by East German enterprises. Actual requirements for 1955 amount to 4,000 metric tons. As of 22 June 1955, DIA Chemie had succeeded in placing contracts for 2,296 of the 3,000 metric tons of borax, but only 110 metric tons of borax had actually been delivered.
2. Because of the serious repercussions which the lack of borax and/or boric acid has caused in East German industry, Chemiepha GmbH was ordered to procure the needed amounts of these materials. As of 21 June 1955, Chemiepha had a direct order from the Ministry for Foreign and Internal German Trade for 500 metric tons of borax and had concluded a contract for the delivery of 182 metric tons to be delivered in July 1955. A contract for the remaining 318 metric tons of borax was to be concluded by about 25 June. In addition, Chemiepha also had an order for 130 metric tons of borax from the State Committee for Material Procurement and had concluded a contract for the delivery of the borax via Rotterdam. As of 21 June 1955, 60 metric tons of this borax had been delivered; 25 more metric tons were expected before the end of June, and 65 metric tons were to be delivered in early July 1955. Chemiepha also had an order from the Ministry for Light Industry for 15 metric tons of boric acid. The boric acid was to be used for glass blanks (Glaskolben).
3. The lack of borax and boric acid has had a crippling effect on East German industry. Since late 1955 deliveries of borax for plants under the Ministry for Machine Construction have been completely insufficient, usually only enough to last a few days. A large producer of borax is the United States, and, since borax is one of the products which is on the embargo list, East Germany has been unable to conclude contracts for its delivery. There is no borax at all in the state reserves or in the DHZ warehouses. Negotiations between the Ministry for Heavy Industry, the Ministry for Foreign and Internal German Trade, DIA and DHZ were fruitless. The borax situation has become so serious that the matter was taken directly to Minister President Otto Grotewohl. Attempts to procure borax from the USSR and China have been without result. China forwarded one metric ton of borax as a sample to DIA, but, upon analysis, it was determined that the borax was not of Chinese origin but was from old stocks of United States borax. Attempts are now being made to import minerals which contain

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Boron. East Germany is currently negotiating with Turkey for the import of colemanite. These measures, however, will be of no immediate help.

4. The most important borax requirements in 1955 of the Ministry for General Machine Construction are as follows:

Main Administration for Precision Mechanics and Optics	495 metric tons
Main Administration for Iron, Sheet Metal and Metal (for enamelling plants)	183 metric tons
Main Administration for Light Machine Construction (for enamelling, filling fire extinguishers, and processing grinding wheels)	47 metric tons
For processing into boric acid (Schett und Gessesen, Jena, needs 151.4 metric tons of boric acid and Main Administration RFT needs 51.6 metric tons:	
Total 203.0 metric tons)	1,373 metric tons

5. On the average, East German factories at present have only enough borax on hand for four or five days production. The shortage of borax has had the following effects on East German industry:

a. Main Administration for Radio and Telecommunications Technology (HV RFT):

East German condenser plants can no longer manufacture electrolytic condensers, and, as a result, production of the entire industry (telecommunications and radio devices) is affected. VEB Funkwerk Erfurt has reported that production of such highly important types of devices as high-frequency measuring generators, normal measuring generators, ultra-shortwave generators, all-wave receivers, ultra-shortwave precision wavemeters, distortion factor measuring devices, etc., as well as research and development tasks and export obligations, cannot be carried out according to plan. As a result of the borax shortage, various contributory factories are unable to make deliveries of needed items. VEB Spezialglaswerk "Einheit" Weisswasser is not delivering sufficient quantities of hard glass bulbs (Hartglaskolben) for special tubes and light bulbs; VEB Glasurwerke Meissen is not delivering sufficient amounts of L flux (L-Fluss) for the production of Pantolon and infra-red resistors by VEB Carl von Ossietzky Teltow.

b. Main Administration for Precision Mechanics and Optics:

Despite the fact that the Main Administration for Precision Mechanics and Optics currently receives a much larger share of borax and/or boric acid than Main Administration RFT, it is attempting to have allotted to it part of the borax allocations of Main Administration RFT. Otherwise, it will be necessary to close down the smelting bath for crude optical glass at VEB Carl Zeiss Jena. Carl Zeiss has already lost three full months of production because 14 metric tons of required boric acid were not delivered in April 1955. This loss cannot be made up.

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