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CENTRAL INTELLIGENCE GROUP REPORT  
**INFORMATION REPORT**

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**COUNTRY** Rumania  
**SUBJECT** Reconstruction of Rumanian Industry

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1. "At the Superior Economic Council of Rumania, an interesting draft has been presented quite recently, for the reconstruction of the Rumanian industry. This project has been worked out by Messrs. V. Ionescu and C. Newman, both engineers, who took as point of departure their proposals the factor of raw materials.
2. "So, after pointing out that the metallurgical center of Resitza is disposing of too short reserves and is lacking sufficient ways of communications, they come to the conclusion, that the most important metallurgical center is to become Hunedoara.
3. "Metallurgical centers must be developed (ferrous and non-ferrous) in the neighborhood of the sources of iron ores and coal mines, that is the Soviet Union, Yugoslavia and Poland.
4. "Wood and petrol will have to be used only for internal needs, these being excluded in the future as source of exports.
5. "The two engineers arrive at the following conclusions:
  - "1. Rumania is entering into an epoch of intense industrialization.
  - "2. The transit traffic determines the development of two axis of massive transports, short ones and cheap at the same time; the valleys of the Siret and the Danube.
  - "3. Their development is indicating them at the same time also as the axis of heavy industrialization by:
    - "a) a center of production of non-ferrous metals (copper aluminum) between Orsova and Turnu Severin, supplies with ore from Yugoslavia and with ore or oxyd of aluminum brought on the Tizza-Danube, making use of the hydro-electrical force of the Danube Iron Gates (easy transport, low cost);

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- "b) a processing center in Giurgiu, using the methane gas the current of the Prahova Valley, the materials brought on the Danube and a center of an agricultural industry;
  - "c) the most important industrial center Braila-Galatz, based on Soviet ore-coal-coke and of Polish origin, where an important industry of rolling-stock for the State railways, automobiles and navigation, of agricultural implements and an industry for the processing of cellulose and reeds, can be set up.
  - "d) a center in the north of Moldavia based on Soviet ore and Polish coal (region Pascani-Falticeni);
  - "e) chemical industries for processing of cellulose from wood, along both slopes of the eastern Carpat Mountains.
- "4. Development of the metallurgical center in Hunedoara.
  - "5. The prospecting and bringing into value of the center of Iba Mare especially for non-ferrous metals and chemicals.
  - "6. The gradual transformation of the hard accessible centers of Brasov and Resitza in processing metallurgical industries."

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