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SUPPLEMENT TO REPORT NO.

- 1. A recent session of the Council of Mutual Economic Aid (Rat der gegenseitigen Wirtschaftshilfe) was held in Warsaw on 6 and 7 September 1951. On this occasion, the Soviet bloc of nations agreed on a selling price for sugar of 167 dollars per ton for sales to the Western world. The German delegate to the conference was Frau Direktor Müller of Deutscher Innen-und Aussenhandel - Nahrung (DIA - Nahrung). The conclusions reached at the above session are being treated as confidential within the government of the DDR.
- 2. The firm, Etablissement Vaduz, Liechtenstein, is a relatively new addition to the list of companies conducting trade with the DDR. This firm is currently negotiating an agreement to ship steel to the DDR in return for over 45,000 tons of sugar and between one and two million dollars worth of coal (briquettes). It is reported that the steel to be delivered by this firm is all of West German origin. The steel is reportedly destined for use in Böhlen for the manufacture of pipes (Siederoehre) to be shipped to the USSR.
- 3. Representatives of the Etablissement Vaduz and of the Steiner firm of St. Gall, Switzerland, state that present trading plans call for the transport of steel to the DDR by ship, mainly in French bottoms, from Rotterdam or Antwerp to East German ports. The representatives stated that they were forced to resort to this route as a result of stricter controls imposed on transit shipments through West Germany and Austria. A shipment of 3,200 tons of steel from the Steiner company was due to arrive in Rostock on 2 October 1951.
- 4. A new DDR regulation requires that credits established in West European banks by the DDR in payment for purchases from West European countries be held open in any one bank for a maximum period of 48 to 60 hours. The DDR was forced to take this step to avoid revealing intended purchases to Western security authorities.
- 5. The manager of the Etablissement Vaduz firm is (fnu) Reklam of West Germany. He is a member of the CDU in the German Federal Republic and is on close terms with DDR Foreign Trade State Secretary Ganter-Gilmans (East CDU).
- 6. Switzerland is reported to be stopping all shipments of strategic goods (Schwerpunkt-material) by the Hobro company to DEAG, Meletex, and to Intrac and Merx of Vienna, with the result that the DDR is having difficulty finding firms in the West willing to take the risk of engaging in such trade with her.

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