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CENTRAL INTELLIGENCE AGENCY

REPORT

INFORMATION REPORT

CD NO.

COUNTRY China, [REDACTED]

DATE DISTR. 12 July 1961

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SUBJECT Mutual Cooperative Trading Company [REDACTED]

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INFO. [REDACTED]SUPPLEMENT TO
REPORT NO. 50X1-HUM

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1. The Mutual Cooperative (协合) Trading Company [REDACTED]

The main

office of the company is the Mutual Cooperative Company, 20 Leopold Building,
North Chien Fang Street, Tientsin.

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2. The manager of the mutual Cooperative Trading Company is SHEN Huan (沈桓).

3. [REDACTED]

4. The Mutual Cooperative Trading Company is agent for the North China Foreign Trade Administrative Bureau and the North China Trading Corporation and its affiliated companies, which include the North China Import Company, the North China Trust, the North China Bristles Company, the North China Fur and Wool Company, the North China Oil and Oil-Bearing Seed Company, the North China Native Produce Company, and the Tientsin Opium Prevention Bureau. In addition, the Mutual Cooperative Trading Company has a preferred status with the following groups: [REDACTED]; China Textiles Industry, Tientsin; Fuel Industries Ministry, Chinese Communist Central Government; Ordnance Department, Chinese Communist Army, Cotton Quilt and Blanket Factory, Tientsin; People's Bank, Storage, Transportation and Trust Department, Tientsin branch; People's Broadcasting Station, Tientsin; People's Government Pharmacy, Tientsin; Ministry of Public Security, Peiping headquarters; Ministry of Railways, Tientsin office; 19 Army Group, Tientsin

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office. SHEN was also negotiating with various mining corporations in Tsinan and the Northeast, as well as with the Canton Rear Service and Supply office, for similar preferential standing as a business representative.

5. [] the Mutual Cooperative Trading Company did the following business: 50X1-HUM

- a. Imports to China:² 500 tons of aluminum ingots and 500 tons of copper, ordered by the North China Rear Service and Supply.
- 200 tons of Diesel oil, ordered by the Ministry of Fuel Industries.
- 250 tons of fertilizer, purchased on a monthly basis.
- 60,000 pounds of hemp rope, ordered by the Military Supply Department.
- White clay, women's tablets (sic), and woven steel-wire cloth, ordered by China Textile Industries.
- 100 tons of wattle bark, Elephant Brand, ordered by the Uniform Works of the Military Supply Department.
- 200 tons of iron bars, for the Ministry of Railways.
- Vacuum tubes, condensers and sound recorders, for the People's Broadcasting Station.

- b. Exports from China:³ 4,000 tons of bean cakes from the Northeast.
- 6,000 tons of ground nuts.

6. In August 1950 the Mutual Cooperative Trading Company expected, if it could obtain [] enough cash to make a 20 percent down payment on goods purchased, the following immediate business: 50X1-HUM

- a. Imports to China: 200 tons of .4-inch iron bars.
- 150 tons of smooth iron.
- 100 to 150 tons of iron plates.
- 15 to 20 tons of flat iron.
- High-speed anti-friction Babbitt metal.
- b. Exports from China: 200,000 pounds of wool.
- Several thousand tons of bone powder.
- A few hundred thousand catties of Shansi hemp.

7. It is claimed that SHEN's influence is such that his company can import such banned articles as bicycles, waste paper and chemical fertilizer, and can export soybeans, bristles and cowhide, the export of which is forbidden.

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2. [] Comment. The volume of business was reduced because of the company's inability to pay cash for purchases. Profits averaged from 10 to 30 percent. 50X1-HUM

3. [] Comment. Profits averaged from 5 to 15 percent on the export trade [] 50X1-HUM

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