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Radische Anilin, in connection with Shell, plans production of 10,000 tons of polyethylene from refinery gases. Farben Hoechst is concentrating on new natural gas fields discovered in the State of Hesse. Also Hoechst chemists are experimenting on producing polyethylene from crude oil.

Deutsche is working on gas soot, with many possible industrial applications. From a "sulphur soot" Germans hope to find a new process for rubber.

Meanwhile, West Germany is rebuilding its synthetic rubber industry. This time out of imported crude, instead of Ruhr coal, as originally used in pre-war times. Seven large firms, including the Farben successors, are pooling capital and technical know-how to build up large synthetic rubber plant at Huel's in the Ruhr. It will have an annual capacity of 30,000 tons.

America has a long lead on Germany in petro-chemistry. The Germans may never come near U.S. technological advances. But in their evolutionary methods, the Germans are slowly but surely pushing "King Coal" to the sidelines.

#### COMMON FINANCING FOR EUROPEAN RAILROADS ?

BASEL - An international corporation to finance purchases of equipment for Western European railroads is being organized. Various state railroads will be partners in this new venture in international economic cooperation. To be known as "EUROFINA", the corporation will also have financial backing of European governments and will enjoy supra-national privileges.

"EUROFINA" will buy rolling stock from various industries in Western Europe and lend it to member countries in a common European transportation pool.

#### GERMANY HAS CASH TO RE-ARM.

BONN - Contrary to other Western European governments, the Federal German Republic is not complaining about the high-cost of rearmament. To organize and fully equip the West German armed forces will cost an estimated \$10 billion. Large part of this, in the form of planes and heavy arms, will come from the United States.

(Donn's Finance Minister) Fritz Schaeffer is reported to have stashed away an estimated \$ 2.5 billion in excess tax revenues for initial costs of West Germany's return to the parade ground.

Economics Minister Ludwig Erhard has announced that even if West Germany's annual NATO contribution is boosted to \$ 2.6 billion, this will not seriously strain the country's productive resources, nor West Germany's standard of living.

The Schaeffer-Erhard approach is something new in NATO financial circles. But there is one catch. A successful tax-collector, Herr Schaeffer is notoriously unwilling to spend money - if he can avoid it. The canny Bavarian will fight hard to increase America's contribution to the cost of German rearmament.

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