JEIA REVIEWS 4 MONTHS OF WORK

Germans Are Warned That Unless They Boost Exports by Mid-Summer The Bizonal Area Will Have to Cut Its Present Level of Imports

JEIA HAS A MANDATE from the US and UK Military Governments to carry out the provisions of the Revised Bizonal Fusion Agreement signed at Washington on Dec. 17, 1947, which specified the intention of the United States and Great Britain to “develop in Germany an economy which can be maintained without financial assistance from either government,” thus enabling this country to contribute her indispensable part to the economic rehabilitation of Europe as a whole.

In order to achieve this objective it was ascertained that German exports from peaceful industries would have to be greatly increased. A vastly expanded import program was inaugurated in order to provide the raw materials essential to the increased industrial production. The wide range of these imports, which are paid for out of the proceeds of exports, and which in the near future will be increased by Marshall Plan funds, is remarkable. We are procuring hundreds of millions of dollars worth of fibers such as cotton, flax, wool and hemp; rubber, hides; pulp and newsprint; metals and minerals and chemical substances.

Translated into language slightly less abstruse, this means that, economically speaking, western Germany is being admitted into the community of western nations which are determined to restore a decent standard of living for their peoples. It means that the human and industrial resources of the US, UK and French Zones are going to be harnessed for the common good of Germany itself and for Europe as a whole.

It means that the population of the zones will present a formidable consumers’ market to the other 16 nations participating in the Marshall Plan, while they in turn will be in a better position to buy German-made goods and services. The dollars which are being provided by the United States Government will therefore act as a lubricating agent, greasing the wheels of trade and commerce; aiding and promoting peaceful manufacture; helping to ward off disease and unrest, unemployment and hunger.

RECENTLY, THE Joint Export-Import Agency concluded a new trade agreement with Sweden, a neighbor with which Germany has been doing business for generations. It is the activities of the Joint Export-Import Agency during the first four months of 1948 were detailed by W. John Logan, director general of JEIA, in a radio broadcast on April 30 to the German people. He reviewed the progress made since his previous address (see Information Bulletin, Issue No. 129). The text of his recent speech is adapted for this article.

JEIA’s hope and objective to maximize mutual trade between the two countries by restoring normal business communications, encouraging contact between business representatives and firms, expediting the handling of goods, and granting the necessary documents to facilitate buying and selling.

Sweden will license the export to Germany of ore needed in the manufacture of steel, sawn wood goods, paper and paper products, chemicals and ferro alloys, medical supplies and many other products. Bizonia will in turn sell to Swedish buyers machinery and mineral and chemical products, coke and coal under Economic Committee for Europe allocation; products of stone, glass, china porcelain; textiles and other items.

Trade agreements have been negotiated with most of Germany’s neighbors. In many cases, these agreements, concluded in Berlin in 1946 and 1947, are now being extended and renewed. Talks with Turkey, Scandinavia, the Low Countries, France, Italy, Switzerland and some of the Balkan countries, emphasize the interdependence of Germany with her neighbors in the economic sphere. The overriding purpose is to erode the barriers to trade and encourage the flow of mutually advantageous commerce. In this sense, the Joint Export-Import Agency has been carrying out the provisions of the Marshall Plan on a small scale for many months.

JEIA has constantly under review the baffling question of how to simplify and ease the regulations governing export and import procedures. It has been turning over responsibility to German officials and business organizations. The latter have been actually traveling abroad to renew traditional contacts with world markets, and to buy some of the raw materials which are needed by the Bizone economy.

JEIA is encouraging foreign businessmen to come into Germany as rapidly as accommodations can be made available, and hopes that, shortly, existing quota restrictions will be entirely lifted.

JEIA has authorized German firms to participate in foreign fairs and is developing plans for improved and enlarged fairs in Wiesbaden, Stuttgart, Munich, Flensburg, Dusseldorf and Hanover.

German firms took part in the International Fur and Leather Fair at Basel, Switzerland, in March, and 100 others had exhibits at the International Samples Fair in Milan, Italy. JEIA even authorized expenses in dollars for three German newspapermen to give direct coverage of fair happenings from Milan.

JEIA is operating a taxi service for the Occupation forces and businessmen, and a hotel service for foreign business visitors. These have
yields substantial returns for the export fund.

German manufacturers have been authorized to use up to five percent of their earned foreign exchange on travel abroad, an important step in the development of traditional trade outlets for German business. In March alone, contracts were signed by JEIA for the importation of more than $2,300,000 worth of foodstuffs to be distributed among export workers under the so-called interim Bonus "B" Plan. This will increase appreciably even as export figures grow.

Many Germans will say to this, all well and good, but what about Herr Schmidt and Herr Vogel and Herr Gluck? When can they go to the neighborhood store and buy a pair of shoes, or a new set of overalls for the family breadwinner, or a new dress for their wives?

Germans must remember that the German economy was severely set back as a result of a world war which lasted six years and has still to be paid for. Under the best of conditions, Germany was a food-importing nation, and today, with 25 percent of her food raising areas gone, is still dependent upon outside sources for about 50 percent of her food as well as raw materials.

Herr Schmidt and Herr Vogel and Herr Gluck must never forget that the economy of scarcity which exists in their country likewise afflicts the rest of the world and especially her neighboring European countries. The first active steps to correct this situation and make it possible for the average German to buy the ordinary things which make life less austere, such as fruits and vegetables, tobacco and coffee, and so on, have been taken by the US Government.

The European recovery program is based upon the concept that given the necessary amount of raw materials, participating nations will be in a position to restore prewar trade and elevate the standard of living of their people.

Old type Military Payment Certificates (scrip) are counted by T/3 P. C. Perrone, of the 7752nd Finance Center, EUCOM, before being destroyed. More than $100,000,000 worth of the now worthless currency were turned in recently for the new type, blue scrip in use at present throughout the US occupation zones. The money must be counted carefully before being destroyed.

(Army Signal Corps Photo)

New Exit Interview

In order to facilitate the possible rehiring of qualified US Department of Army civilian employees who have returned to the United States from overseas duty, the Department of the Army in Washington is instituting a new form of exit interview for those terminating employment.

The new plan, which will be in operation on an experimental basis for six months, means that each employee upon leaving EUCOM will fill out an interview form in duplicate. One copy will be sent to Washington, and the other copy will be retained in EUCOM files.

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