

# Goods Allocated to Allies

**T**HE FIRST INSTALLMENT of goods and raw materials which the Soviet Union owes to the Western Allied Nations as "reciprocal deliveries" under the terms of the Potsdam Agreement, has been allocated among the member governments of the Inter-Allied Reparations Agency in Brussels, the Economics Division, OMGUS, announced.

The Potsdam Agreement specified that Russia would make deliveries of commodities such as food, coal, potash, zinc, timber, petroleum products, and other items to be agreed upon, equivalent to 60 percent of the total value of capital industrial equipment reparations which she and Poland would receive from the three Western Zones of Germany.

Up to 1 December 1947, the three Western Zones have delivered approximately RM 100,000,000 worth of capital industrial equipment to the USSR and Poland.

The first delivery is expected to be made at an early date. The Soviets have stated they will complete the deliveries of the first consignment within 60 days after they receive shipping instructions. The commodities allocated to the United States will be made available for the German economy.

The General Assembly of the Inter-Allied Reparation Agency designated 10 countries as the beneficiaries of the first shipment of these reciprocal deliveries, which include wheat, gasoline, diesel oil, pit props, and timber valued at approximately RM 5,000,000 at 1938 price levels. The United States, Great Britain, France, Yugoslavia, the Netherlands, Czechoslovakia, Belgium, Greece, India, and Egypt are the recipient nations to which these initial shipments will be made.

Discussions on the controversial question of reciprocal deliveries have been in progress since December 1945, and shipments of reparations equipment to Russia were commenced in April 1946. Although it was necessary for the Inter-Allied Reparation Agency in behalf of the Western Allied Nations

to specify the nature and amount of commodities to be delivered in this first installment, the occupying powers of the three Western Zones of Germany felt it necessary to stipulate that these commodities would come from outside of Germany or, if coming from the Soviet Zone of Occupation of Germany, would be in excess of Germany's minimum economic requirements, and would not be exportable to provide funds to be applied against the cost of occupation.

**T**HE US ELEMENT has repeatedly requested the Soviets to provide reciprocal deliveries outside of Germany, but the Soviets to date have not agreed. While this major principle has not been agreed by the USSR, the



**Frank L. Howley, (above) director of the Office of Military Government Berlin Sector since the beginning of the interallied occupation of Berlin, has been recalled to active duty at his own request. He has assumed his former rank of colonel in the Army of the United States, and has been appointed US member of the Allied Kommandatura Berlin.**

initial shipments were arranged under terms which do not specify the source of the commodities to be delivered, but provide for such shipments to be made without jeopardizing future considerations of this principle of source which remains to be settled.

The following allocation of reciprocal deliveries has been made by the Inter-Allied Reparation Agency:

United States: wheat, 1,709 tons; gasoline, 1,400 tons; diesel oil, 3,141 tons; to be delivered to OMGUS.

United Kingdom: wheat, 1,709 tons; gasoline, 900 tons; diesel oil, 1,332 tons; pit props, 15,000 cubic meters; timber, 14,414 cubic meters; to be delivered to the Commander-in-Chief of the British Zone of Germany.

France: wheat, 4,104 tons; to be delivered to the French Group Control Council, Division of Agriculture & Food, Berlin.

Yugoslavia: gasoline, 700 tons; diesel oil, 527 tons; to be delivered to the Reparation Commission in Jesenice, Yugoslavia, (via Rosenheim, Germany).

Netherlands: wheat, 501 tons; timber, 4,393 cubic meters; to be delivered at some place in The Hague (via Zevenaar near Arnhem or Oldenzaal).

Czechoslovakia: wheat, 770 tons; to be delivered to some place in Prague (via Brod Nad Lesy via Cheb or Decin).

Belgium: wheat, 694 tons; to be delivered to a place in Brussels (via Hergenrath).

Greece: timber, 6,088 cubic meters; to be delivered to Greek Government, Greek Ministry of Coordination through the intermediary of Hager & Schmidt, G. m. b. H., Bremen.

India: wheat, 513 tons; to be delivered to Director General, Ministry of Industries and Supplies, Government of India, New Delhi, India, via the intermediary of Messrs. Hogg, Robinson & Capel-Cure, Ltd., care of 41 Movement Control, Trien Building, Alstereck, Hamburg.

Egypt: timber, 105 cubic meters; to be delivered to Agency Maritime, de Keyser Thornton, S. A., 43 Longue Rue Neuve, Antwerp (via F. Halbert & Co., 91 Rue Lambertl, Herbesthal).