ACC

10000/109/820

REPARATIONS
ECONOMY
MAR. - JULY 19

10000/109/820

REPARATIONS & THE LEVEL OF POST WAR GERMAN ECONOMY
MAR. - JULY 1946

19.

To Econ Sec

Please take action in accordance with the C.C's minute on folio 18 Ante 2/6

20

To C.S.O. Ex C.

Reference to 19 - We have been informed that the document in question, has already been forwarded to the Minister of Foreign Affairs, by the American Embassy - We will therefore not duplicate the action, unless further directed.

C G Webster Jr

CARLOS G. WEBSTER, Jr.
Lt. Col., FA
Chief, Staff Officer.

21.

Capt K.

Check with Dr Bombassei that this has actually been received by MFA. H.S. 4/7

22

A.V.P. Econ Sec.

Please confirm that the CC's minute 506 at the foot of folio 18 has been complied with. Ante 2/7

23

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C G Webster Jr

CARLOS G. WEBSTER, Jr.
Lt. Col., FA
Chief, Staff Officer.

21.

Coff K.

Check with Dr Bombassei that this has actually been received by MFA. H.S. 47

22

A.V.P. Econ Sec.

Please confirm that the CC's note 506
at the foot of folio 18 has been complied with. Alb 2/7

23

C.S.O. Exec Com. H.S. 8/7

8 JUL 1948

Folio 18 Complied with - Copy sent to Minister of Foreign Affairs by Dr. Bombassei

C.G. Webster Jr.

4067 56

24

DUPLICATE

6/2616/1946

JUL 14 1946

See min 23

MEMORANDUM FOR THE ALLIED COMMISSION

N.R.

The Ministry for Foreign Affairs begs to acknowledge receipt of Note n.23/20.6 dated 6th July 1946 and to thank the Allied Commission for the plan for **reparations** and the level of post-war German economy in accordance with the Berlin protocol, which will be brought to the attention of the Italian Authorities.

STAMP : MINISTERO DEGLI AFFARI ESTERI

Rome, July 10th, 1946.

505

(CAPT K)

4067 781

18

27 June 1946.

Dear Sir:

Receipt is acknowledged of your letter dated 12 June forwarding a copy of the Plan for Reparations and the Level of Post-War German Economy as decided by the Allied Control Council on 26 March 1946.

The suggestion that this plan be brought to the attention of the appropriate officials of the Italian Government will be complied with.

Very truly yours,

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

U.S. Political Adviser for Germany,
Office of Military Government for Germany (US),
APO 742 - U.S. Army.

504

Copy to: Economic Section
Executive Commissioner

Please have the Economic Section present the attached to the attention of the appropriate officials of the Italian Government.

E.W.S.
CC

See M-19-20-21-22-23

(CAPT DE J)

17

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
Public Relations Service
APO 742

FILE

Berlin, Germany
28 March, 1946

ALLIED CONTROL AUTHORITY

THE PLAN FOR REPARATIONS AND
THE LEVEL OF POST-WAR GERMAN ECONOMY
IN ACCORDANCE WITH THE BERLIN PROTOCOL

1. In accordance with the Berlin Protocol the Allied Control Council is to determine the amount and character of the industrial capital equipment unnecessary for the German peace economy and therefore available for reparations. The guiding principles regarding the Plan for Reparations and the Level of the Post-war German Economy, in accordance with the Berlin Protocol are:

a. Elimination of the German war potential and the industrial disarmament of Germany.

b. Payment of reparations to the countries which had suffered from German aggression.

c. Development of agriculture and peaceful industries.

d. Maintenance in Germany of average living standards not exceeding the average standard of living of European countries (excluding the United Kingdom and the Union of Soviet Socialist Republics). 503

e. Retention in Germany, after payment of reparations, of sufficient resources to enable her to maintain herself without external assistance.

2. In accordance with these principles, the basic elements of the Plan have been agreed. The assumptions of the Plan are:

THE PLAN FOR REPARATIONS AND THE LEVEL OF POST-WAR GERMAN ECONOMY IN ACCORDANCE WITH THE BERLIN PROTOCOL

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e. Retention in Germany, after payment of reparations, of sufficient resources to enable her to maintain herself without external assistance.

2. In accordance with these principles, the basic elements of the Plan have been agreed. The assumptions of the Plan are:

a. That the population of post-war Germany will be 66.5 millions.

b. That Germany will be treated as a single economic unit.

c. That exports from Germany will be acceptable in the international markets.

3. In order to eliminate Germany's war potential, the production of arms, ammunition and implements of war, as well as all types of aircraft and sea-going ships, is prohibited and will be prevented.

4. All industrial capital equipment for the production of the following items are to be eliminated:

a. Synthetic gasoline and oil.

b. Synthetic rubber.

c. Synthetic ammonia.

d. Ball and taper roller bearings.

e. Heavy machine tools of certain types.

f. Heavy tractors.

g. Primary aluminum.

h. Magnesium.

i. Beryllium.

j. Vanadium produced from Thomas Slags.

k. Radio-active materials.

l. Hydrogen peroxide above 50% strength.

m. Specific war chemicals and gases.

n. Radio transmitting equipment.

Facilities for the production of synthetic gasoline and oil, synthetic ammonia and synthetic rubber, and of ball and taper roller bearings, will be temporarily retained to meet domestic requirements until the necessary imports are available and can be paid for.

Restricted Industries

Metallurgical Industries

5. Steel

[illegible] capacity of the steel industry to be left in

b. Synthetic rubber.

c. Synthetic ammonia.

d. Ball and taper roller bearings.

e. Heavy machine tools of certain types.

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Facilities for the production of synthetic gasoline and oil, synthetic ammonia and synthetic rubber, and of ball and taper roller bearings, will be temporarily retained to meet domestic requirements until the necessary imports are available and can be paid for.

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Restricted Industries

Metallurgical Industries

5. Steel

a. The production capacity of the steel industry to be left in Germany should be 7.5 million ingot tons. This figure to be subject to review for further reduction should this appear necessary.

b. The allowable production of steel in Germany should not exceed 5.8 million ingot tons in any future year without the specific approval of the Allied Control Council, but this figure will be subject

to annual review by the Control Council.

c. The steel plants to be left in Germany under the above program should, so far as practicable, be the older ones.

6. Non-Ferrous Metals. The annual consumption of non-ferrous metals (including exports of products containing these metals) is fixed at the following quantities:

Copper	140,000 tons
Zinc	135,000 tons
Lead	120,000 tons
Tin	8,000 tons
Nickel	1,750 tons

Chemical Industries

7. a. Basic Chemicals. In the basic chemical industries there will be retained 40% of the 1936 production capacity (measured by sales in 1936 values). This group includes the following basic chemicals: nitrogen, phosphate, calcium carbide, sulphuric acid, alkalis, and chlorine. In addition, to obtain the required quantities of fertilizer for agriculture, existing capacity for the production of nitrogen through the synthetic ammonia process will be retained until the necessary imports of nitrogen are available and can be paid for.

b. Other Chemicals. Capacity will be retained for the group of other chemical production in the amount of 70% of the 1936 production capacity (measured by sales in 1936 values). This group includes chemicals for building supplies, consumer goods items, plastics, industrial supplies, and other miscellaneous chemical products.

501

c. Dyestuffs, Pharmaceuticals and Synthetic Fibers. In the pharma-

[illegible] for the annual production of 80%

Copper . . . . 140,000 tons

Zinc . . . . . 135,000 tons

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501

c. Dyestuffs, Pharmaceuticals and Synthetic Fibers. In the pharmaceutical industry there will be retained capacity for the annual production of 80% of the 1936 production, measured by sales (in 1936 value). Capacity will be retained to produce annually 36,000 tons of dyestuffs and 185,000 tons of synthetic fibers.

Machine Manufacturing and Engineering.

8. a. Machine Tools. For the machine tool industry there will be

retained 11.4% of 1938 capacity, with additional restrictions on the type and size of machine tools which may be produced.

b. Heavy Engineering. In the heavy engineering industries there will be retained 31% of 1938 capacity. These industries produce metallurgical equipment, heavy mining machinery, material handling plants, heavy power equipment (boilers and turbines, prime movers, heavy compressors, and turbo-blowers and pumps).

c. Other Mechanical Engineering. In other mechanical engineering industries there will be retained 30% of 1938 capacity. This group produces constructional equipment, textile machinery, consumer goods equipment, engineering small tools, food processing equipment, woodworking machines, and other machines and apparatus.

d. Electro-engineering. In the electro-engineering industries there will be retained 50% of 1938 production capacity (based on sales in 1938 values). Capacity to produce heavy electrical equipment is to be reduced to 30% of 1938 production or RM 40,000,000 (1936 value). Heavy electrical equipment is defined as generators and converters, 6000 KW and over; high tension switch gear; and large transformers, 1500 KVA and over. Electro-engineering, other than heavy electrical equipment, includes electric lamps and light fittings, installation materials, electric heating and domestic appliances, cables and wires, telephone and telegraph apparatus, domestic radios, and other electrical equipment. Export of specified types of radio receiving sets is forbidden.

500

e. Transport Engineering.

(1) In the automotive industry capacity will be retained to produce annually 80,000 automobiles, including 40,000 passenger cars and 40,000 trucks, and for

pumps).

c. Other Mechanical Engineering. In other mechanical engineering industries there will be retained 50% of 1938 capacity. This group produces constructional equipment, textile machinery, consumer goods equipment, engineering small tools, food processing equipment, woodworking machines, and other machines and apparatus.

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e. Transport Engineering. **500**

(1) In the automotive industry capacity will be retained to produce annually 80,000 automobiles, including 40,000 passenger cars and 40,000 trucks, and for 4,000 light road tractors.

(2) Capacity will be retained to produce annually 10,000 motorcycles with cylinder sizes between 60 and 250 cubic centimeters. Production of motorcycles with cylinder sizes of more than 250 cubic centimeters is prohibited.

(3) In the locomotive industry available capacity will be used exclusively for the repair of the existing stock of locomotives in order to build up a pool of 15,000 locomotives in 1949. A decision will be made later as to the production of new locomotives after 1949.

(4) Sufficient capacity will be retained to produce annually 30,000 freight cars, 1,350 passenger coaches and 400 luggage vans.

f. Agricultural Machinery. To permit maximization of agriculture, capacity will be retained for an annual production of 10,000 light agricultural tractors. Existing capacity for the production of other agricultural equipment, estimated at 80% of 1938 levels, is to be retained, subject to restrictions on the type and power of the equipment which may be produced.

g. Spare Parts. In estimating capacities there will be taken into account the production of normal quantities of spare parts for transport and agricultural machinery.

h. Optics and Precision Instruments. Capacity will be retained to produce precision instruments in the value of 340,000,000 RM (1936 value), of which 220,000,000 RM is estimated as required for domestic use and 120,000,000 RM for exports. A further limitation for this industry is possible, subject to the recommendation of the Committee for the Liquidation of German War Potential.

Mining Industries

9. a. Coal. Until the Control Council otherwise decides, coal production will be maximized as far as mining supplies and transport will allow. The minimum production is estimated at 155 million tons (hard coal equivalent), including at least 45 million tons for export. The necessary supplies and services to this end will be arranged to give the maximum production of coal.

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coaches and 400 luggage vans.

f. Agricultural Machinery. To permit maximization of agriculture, capacity will be retained for an annual production of 10,000 light agricultural tractors. Existing capacity for the production of other agricultural equipment, estimated at 80% of 1938 levels, is to be retained, subject to restrictions on the type and power of the equipment which may be produced.

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h. Optics and Precision Instruments. Capacity will be retained to produce precision instruments in the value of 340,000,000 RM (1936 value), of which 220,000,000 RM is estimated as required for domestic use and 120,000,000 RM for exports. A further limitation for this industry is possible, subject to the recommendation of the Committee for the Liquidation of German War Potential.

Mining Industries

9. a. Coal. Until the Control Council otherwise decides, coal production will be maximized as far as mining supplies and transport will allow. The minimum production is estimated at 155 million tons (hard coal equivalent), including at least 45 million tons for export. The necessary supplies and services to this end will be arranged to give the maximum production of coal.

b. Potash. The production of potash is estimated at over 100% of the 1938 level.

Electric Power

10. There will be retained an installed capacity of 9 million KW.

Cement

11. Capacity will be retained to produce 8 million tons of cement annually.

Other Industries

12. The estimated levels of the following industries have been calculated as shown below as necessary for the German economy in 1949:

a. Rubber. 50,000 tons, including 20,000 tons from reclaimed rubber and 30,000 tons from imports.

b. Pulp, Paper and Printing. 2,129,000 tons, based on 26 kg per head per annum in 1949 plus 400,000 tons for export.

c. Textiles and Clothing Industries. 665,000 tons of fiber, based on 10 kg per head for 1949, including 2 kg for export.

d. Boots and Shoes. 113,000,000 pairs, based on 1.7 pairs per head in 1949 (figure excludes needs of occupying forces).

Production may exceed the above estimates in this paragraph (Other Industries) unless otherwise determined by the Control Council.

13. Building. No level will be determined for 1949. The industry will be free to develop within the limits of available resources and the licensing system.

14. Building Materials Industries (Excluding Cement). Existing capacity will be retained. Production will be in accordance with building licensing and export requirements. 498

15. Other Unrestricted Industries. For the following industries no [illegible] industries are free to develop

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15. Other Unrestricted Industries. For the following industries no levels have been determined for 1949. These industries are free to develop within the limitations of available resources. These industries are as follows:

a. Furniture and woodwork.

b. Flat glass, bottle and domestic glass.

c. Ceramics.

d. Bicycles.

e. Motorbicycles under 60 cc.

f. Potash.

General Level of Industry

16. It is estimated that the general effect of the plan is a reduction in the level of industry as a whole to a figure about 50 or 55 per cent of the prewar level in 1938 (excluding building and building materials industries).

Exports and Imports

17. The following agreement has been reached with respect to exports and imports:

a. That the value of exports from Germany shall be planned as 3 billion RM (1936 value) for 1949, and that sufficient industrial capacity shall be retained to produce goods to this value and cover the internal requirements in Germany in accordance with the Potsdam Declaration.

b. That approved imports will not exceed 3 billion RM (1936 value), as compared with 4.2 billion RM in 1936.

c. That of the total proceeds from exports, it is estimated that not more than 1½ billion RM can be utilized to pay for imports of food and fodder, if this will be required, with the understanding that, after all imports approved by the Control Council are paid for, any portion of the sum not needed for food and fodder will be used to pay for costs of occupation, and services such as transport, insurance, etc.

Determination of Capacities Available for Reparations

18. After the approval of this Plan, the existing capacities of the separate branches of production shall be determined, and a list of enterprises available for reparations shall be compiled. 497

19. After decisions have been given on the matters now referred to

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19. After decisions have been given on the matters now referred to the Coordinating Committee, the Economic Directorate would propose to prepare the final plan embodying those decisions and including a description

of the various features of the Plan, such as: disarmament, reparations, post-war German economy, and the German balance of trade.

[illegible]

TABLE I

LEVEL OF INDUSTRY

1. PROHIBITED INDUSTRIES

A. Production of the following will be entirely prohibited:-

(1) War materials as specifically defined by the Allied Control Authority including but not limited to arms, ammunition and implements of war, as well as all types of aircraft and specific war chemicals and gases.
(2) Sea-going ships (not interpreted to include small fishing vessels).
(3) Magnesium.
(4) Primary aluminum and alumina for the purpose of producing aluminum.
(5) Beryllium.
(6) Vanadium produced from Thomas slags.
(7) Radio-active materials.
(8) Hydrogen peroxide above 50% strength.
(9) Radio transmitting equipment.
(10) Heavy tractors above the limits of capacity determined by the Allied Control Authority.
(11) Heavy machine tools of the sizes and types prohibited by the Allied Control Authority.

B. Production of the following items will be permitted only until sufficient imports will be possible and can be paid for:-

(1) Synthetic gasoline and oil.
(2) Synthetic rubber.
(3) Ball and taper roller bearings.

C. Production of Synthetic Ammonia will be permitted until exports can be found to pay for required imports of nitrogen as well as for all other necessary imports. To the extent to which synthetic ammonia production is not eliminated, it will be limited to no more than that amount necessary to meet Germany's peacetime requirements.

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TABLE 2.

LEVEL OF INDUSTRY

2. Industries for which no level will be determined for 1949 and which are free to develop within the limits of available material and financial resources.

Serial	Industry
1	Building and Building Materials (excluding cement)
2	Furniture and wood-working
3	Flat glass, bottle and domestic glass
4	Ceramics
5	Bicycles
6	Motor-bicycles under 60 c.c.
7	Potash

resources.

Serial	Industry
1	Building and Building Materials (excluding cement)
2	Furniture and wood-working
3	Flat glass, bottle and domestic glass
4	Ceramics
5	Bicycles
6	Motor-bicycles under 60 c.c.
7	Potash

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LEVEL OF INDUSTRY

3. Industries the levels of which are determined or estimated for 1949

PART A
Industries from which production capacity will be taken for Reparations

Serial	Item	Production or Supply in Pre-war year	Estimated level in 1949	Percentage of pre-war considered in Column 3	Remarks
1.	Steel	19.2 m. tons (1936)	7.5 m. tons capacity	39	Permitted level of industry annual review. (For allo see paragraph 5b of the Fi
2.	Copper	292,000 tons (1936)	140,000 tons	48	(a) Figures for non-ferrou metals are for consumption incl. consumption for expo containing these metals. (b) It is estimated that in 1949, 40,000 tons of copper, 20,000 tons of lead and 45,000 tons of zinc will be used in the manufacture of exports containing these metals. (c) Figures for non-ferrous metals includes secondary metal and scrap. (d) Estimated that to meet the requirement of 8,000 tons of tin it will be necessary to import 6,000 tons of tin.
3.	Zinc	225,000 tons (1936)	135,000 tons	60	
4.	Lead	223,000 tons (1936)	120,000 tons	54	
5.	Tin	16,000 tons (1936)	8,000 tons	50	
6.	Nickel	9,500 tons (1936)	1,750 tons	18	
7.	Aluminum (consumption)	..	30,000 tons	..	
8.	Magnesium (consumption)	..	1,000 tons	..	

LEVEL OF INDUSTRY

TABLE 3.

...els of which are determined or estimated for 1949

...tion capacity will be taken for Reparations

Production or Supply in Pre-war year	Estimated level in 1949	Percentage of pre-war considered in Column 3	Remarks
19.2 m. tons (1936)	7.5 m. tons capacity	39	Permitted level of industry subject to annual review. (For allowable production see paragraph 5b of the Plan)
292,000 tons (1936)	140,000 tons	48	(a) Figures for non-ferrous metals are for consumption incl. consumption for exports containing these metals. (b) It is estimated that in 1949, 40,000 tons of copper, 20,000 tons of lead and 45,000 tons of zinc will be used in the manufacture of exports containing these metals. (c) Figures for non-ferrous metals includes secondary metal and scrap. (d) Estimated that to meet the requirement of 8,000 tons of tin it will be necessary to import 6,000 tons of tin.
225,000 tons (1936)	135,000 tons	60	
223,000 tons (1936)	120,000 tons	54	
16,000 tons (1936)	8,000 tons	50	
9,500 tons (1936)	1,750 tons	18	
..	30,000 tons	..	
..	1,000 tons	..	

Serial	Item	Production or supply in pre-war year	Estimated level in 1949	Percentage of pre-war considered in column 3
9.	Mechanical Engineering (excl. Agric. Implement Engineering and Ball and taper Roller Bearings)			
	(a) Heavy Engineering comprising: Metallurgical Equipment Heavy Mining Machinery Material Handling Plant Heavy Power Equipment, Boilers, and Turbines, Prime Movers, heavycompressors, turbo-blowers and pumps.	RM 1,394 mill. (1938)	RM 432 mill.	31
	(b) Light Engineering and Constructional Equipment comprising: Constructional Equipment Textile Machinery Other Consumers Goods Equipment Food Processing Equipment Chemical and Refining Equipment General Engineering Materials Processing Equipment Small Tools Wood-working machinery Gas Welding and Cutting machinery Miscellaneous Machines	RM 2,291 mill. (1938)	RM 1,145 mill.	50
	(c) Machine Tools	RM 645 mill. (1938)	RM 74 mill.	11.4
	Total	RM 4,330 mill.(1938)	RM 1,651 mill.	38.1

Item	Production or supply in pre-war year	Estimated level in 1949	Percentage of pre-war considered in column 3	Remarks
Mechanical Engineering (excl. Agricultural Engineering and Ball and taper Roller Bearings)				
(a) Heavy Engineering comprising: Metallurgical Equipment Heavy Mining Machinery Material Handling Plant Heavy Power Equipment, Boilers, and Turbines, Prime Movers, heavycompressors, turbo-blowers and pumps.	RM 1,394 mill. (1938)	RM 432 mill.	31	12
(b) Light Engineering and Constructional Equipment comprising: Constructional Equipment Textile Machinery Other Consumers Goods Equipment Food Processing Equipment Chemical and Refining Equipment General Engineering Materials Processing Equipment Small Tools Wood-working machinery Gas Welding and Cutting machinery Miscellaneous Machines	RM 2,291 mill. (1938)	RM 1,145 mill.	50	
(c) Machine Tools	RM 645 mill. (1938)	RM 74 mill.	11.4	Machine Tools to be limited as regards type and size by the Allied Control Authority.
Total	RM 4,330 mill.(1938)	RM 1,651 mill.	38.1	

Serial	Item	Production or Supply in pre-war year	Estimated Level in 1949	Percentage of pre-war considered in column 3	
10.	Precision Instruments and Optics	RM 491 m.(1936)	RM 340 m.	70	Incl RM 1 A fu poss depe dati
11.	Agricultural Tractors	13,900 (1936)	10,000	72	Liqu Limi and
12.	Private Cars	245,000 (1936)	40,000	16	
13.	Commercial Vehicles	59,000 (1936)	40,000	67	
14.	Light Road Tractors		4,000		
15.	Motor-bicycles	..	10,000	..	Cyli to 2 bicy capa to b
16.	Electrical Engineering	RM 3,000 m. (1938)	RM 1,500 m.	50	Heav ing (i) vor (ii) gear (iii 1,50
	of which Heavy Electrical Engineering	RM 130 m. (1938)	RM 40 m.	30	

Item	Production or Supply in pre-war year	Estimated Level in 1949	Percentage of pre-war considered in column 3	Remarks
Precision Instruments and Optics	RM 491 m.(1936)	RM 340 m.	70	Including an estimated RM 120 m. for export. A further limitation is possible for this industry depending upon the recommendation of the Committee for Liquidation of War Potential
Agricultural Tractors	13,900 (1936)	10,000	72	Limited as regards capacity and type.
Private Cars	245,000 (1936)	40,000	16	
Commercial Vehicles	59,000 (1936)	40,000	67	
Light Road Tractors		4,000		
Motor-bicycles	..	10,000	..	Cylinder capacity 60 c.c. to 250 c.c. Motor-bicycles with cylinder capacity over 250 c.c. to be prohibited.
Electrical Engineering	RM 3,000 m. (1938)	RM 1,500 m.	50	Heavy electrical Engineering comprises: (i) Generators and converters 6,000 kw. and over; (ii) High tension switchgear; (iii) Large transformers 1,500 KVA and over.
of which Heavy Electrical Engineering	RM 130 m. (1938)	RM 40 m.	30	

Serial	Item	Production or Supply in pre-war year	Estimated level in 1949	Percentage of Pre-war Considered in Column 3
17.	Basic Chemicals	RM 920 m. (1936)	RM 368 m.	40
18.	Miscellaneous Chemical Products	RM 2,112 m. (1936)	RM 1,478 m.	70
19.	Pharmaceuticals			
	(a) Domestic	RM 288 m. (1936)	RM 212 m.*	
	(b) Export	RM 125 m. (1936)	RM 120 m.*	
	Total	RM 413 m. (1936)	RM 332 m.	80
20.	Dyestuffs			
	(a) Domestic			
	RM mills.		73*	
	000 tons		20*	
	(b) Export			
	RM mills.		58*	
	000 tons		16*	
	Total			
	RM mills		131	
	000 tons		36	

* Agreed in the Economic Directorate, not yet confirmed by the Control C

Item	Production or Supply in pre-war year	Estimated level in 1949	Percentage of Pre-war Considered in Column 3	Remarks
Basic Chemicals	RM 920 m. (1936)	RM 368 m.	40	Nitrogen, phosphates, calcium carbide, sulphuric acid, chlorine, alkali Production of synthetic ammonia to continue for the time being (see Table I (C))
Miscellaneous Chemical Products	RM 2,112 m. (1936)	RM 1,478 m.	70	Building supplies, consumer goods, plastics, industrial supplies, other chemicals.
Pharmaceuticals				
(a) Domestic	RM 288 m. (1936)	RM 212 m.*		
(b) Export	RM 125 m. (1936)	RM 120 m.*		
Total	RM 413 m. (1936)	RM 332 m.	80	
Dyestuffs				
(a) Domestic				
RM mills.		73*		
000 tons		20*		
(b) Export				
RM mills.		58*		
000 tons		16*		
Total				
RM mills		131		
000 tons		36		

* Agreed in the Economic Directorate, not yet confirmed by the Control Council.

Serial	Item	Production or Supply in pre-war year	Estimated level in 1949	Percentage of Pre-war Considered in Column 3
21.	Cement	11.7 m. tons (1936)	8.0 m. tons	68
22.	Electric Power Installed capacity in million KW	15.2 MKW (1936)	9.0 MKW	60

Item	Production or Supply in pre-war year	Estimated level in 1949	Percentage of Pre-war Considered in Column 3	Remarks
Cement	11.7 m. tons (1936)	8.0 m. tons	68	
Electric Power Installed capacity in million KW	15.2 MKW (1936)	9.0 MKW	60	

TABLE

LEVEL OF INDUSTRY

3. Industries Levels for which have been fixed or estimated for 1949

PART B Industries from which Reparations are not anticipated, but this possibility is not excluded i Council decides that surpluses of Industrial Capital Equipment are not required in Germany or and are suitable for Reparations.

Serial	Item	Production or Supply in Pre-war Year	Estimated Level in 1949	Percentage of Pre-war Considered in Column 3	
1.	Coal	208 m. tons (1936)	155 m. tons	75	Figures in Until the decides, c maximized as far as mining supplies and tran The minimum production is estimated at 155 m (hard coal equivalent), including at least 4 export. The necessary supplies and service arranged to give the maximum production of
2.	Main Line Locomotives	285 (1936)			Post war city to b repairs u
3.	Railway wagons		30,000		
4.	Passenger Coaches		1,350		
5.	Luggage Vans		400		
6.	Agricultural Machinery Other than tractors	RM 323 mill. (1938)	RM. 258 mill.	80	
7.	Textile	856,000 tons (1936) (weight of fibre)	665,000 tons (a) Synthetic 185,000 (b) Natural 480,000	77	Based on incl. 2 K

TABLE 3.

LEVEL OF INDUSTRY

Levels for which have been fixed or estimated for 1949

from which Reparations are not anticipated, but this possibility is not excluded if the Control cides that surpluses of Industrial Capital Equipment are not required in Germany or for export itable for Reparations.

Item	Production or Supply in Pre-war Year	Estimated Level in 1949	Percentage of Pre-war Considered in Column 3	Remarks
cal	208 m. tons (1936)	155 m. tons	75	Figures in hard coal equivalent. Until the Control Council otherwise decides, coal production will be maximized as far as mining supplies and transport will allow. The minimum production is estimated at 155 million tons (hard coal equivalent), including at least 45 million tons for export. The necessary supplies and services to this end will be arranged to give the maximum production of coal.
ain Line Locomotives	285 (1936)			Post war level not fixed, all capacity to be engaged exclusively on repairs until 1949.
ilway wagons		30,000		
assenger Coaches		1,350		
ggage Vans		400		
ricultural achinery Other an tractors	RM 323 mill. (1938)	RM. 258 mill.	80	
xtile	856,000 tons (1936) (weight of fibre)	665,000 tons (a) Synthetic 185,000 (b) Natural 480,000	77	Based on 10 Kg. per head in 1949 incl. 2 Kg. for export.

TABLE 3. Part B (Cont)

Serial	Item	Production or Supply in Pre-war Year	LEVEL OF INDUSTRY: Estimated Level in 1942	LEVEL OF INDUSTRY: Percentage of Pre-war considered in Column 3
8.	Rubber	80,000 tons (1936)	50,000 tons	62.5
9.	Paper	3,149,000 tons (1936)	2,129,000 tons	65
10.	Boots and Shoes	160 m. pairs (1936)	113 m. pairs	70

3. Part B (Cont) LEVEL OF INDUSTRY

Item	Production or Supply in Pre-war Year	Estimated Level in 1949	Percentage of Pre-war contained in Column 3	Remarks
Rubber	80,000 tons (1936)	50,000 tons	62.5	Minor adjustments are possible.
Paper	3,149,000 tons (1936)	2,129,000 tons	65	Based on 26 Kg. per head in 1949 plus 400,000 tons for export.
Boots and Shoes	160 m. pairs (1936)	113 m. pairs	70	Based on 1.7 pairs per head in 1949 (Figure excludes needs of occupying forces).
				Production can exceed the estimates in Table 3, Part B (with the exception of locomotives and wagons, Serials 2, 3, 4, and 5) unless otherwise determined by the Control Council.