

Thailand's Trade Relations with the German Democratic Republic: the Example of Carl Zeiss Jena

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Received 16 December 2020 | Revised 25 April 2021 | Accepted 7 May 2021

Abstract

With the example of one of the German Democratic Republic's (GDR) most renowned high-tech companies, Carl Zeiss Jena, this article argues that despite global and regional pressures, Thailand's international trade relations have been nurtured largely without reference to ideological bias. Founded in 1846, the Carl Zeiss Jena Company grew to become an important patent holder in the production and export of precision optical instruments. By the 1930s, Carl Zeiss Jena was already an important international player, attracting military institutions and land surveying specialists, including clients from Siam/Thailand. In the decades to come, Carl Zeiss Jena's relations with Thailand transcended the major global conflicts of the twentieth century, most notably the acrimonious Cold War period and Germany's partition. This stability is a testament to the flexibility with which Thailand's diplomatic and military elites have been willing to engage with diverse partners regardless of political affiliations and fundamental ideological differences.

Keywords

Thailand – German Democratic Republic – Cold War – trade – ideology

1 Introduction

The story of Thailand during the Cold War is told mostly from Western viewpoints and perceptions and little has been written about Thailand’s bilateral relations with socialist Eastern European countries that predominantly started in the early 1970s. In line with this trend, research on German – Thai relations during that period are dominated by West German sources. These studies have omitted and are largely oblivious to the German Democratic Republic’s (GDR) political and economic relations with Thailand and the Southeast Asian region.

When I began to search for information related to the formal establishment in 1974 of diplomatic relations between the GDR and Thailand, one of the first documents I came across contained trade statistics (PA AA MfAA ZR 1286/84 1975, 10) related to the export of goods during that year from the GDR to Thailand. I was surprised to see that, out of a total of \$1.9 million worth of goods that Thailand imported from the GDR in 1974, \$146,000 were related to optical and precision mechanical devices (see Table 1).¹ This seemed to be a puzzle worth exploring.

In terms of the overall figures, during that time, the trade volume between Thailand and the Warsaw Pact states, including the GDR, was fairly minimal. In 1974, Thailand’s trade with the Council for Mutual Economic Cooperation (Comecon) states of Eastern Europe together accounted for only one percent

TABLE 1 Products and Value of GDR Exports to Thailand in 1974.

\$71,200:	chemicals, including sodium sulfate, sulfate, sodium bicarbonate, magnesium sulfate, and others
\$175,000:	paper, including impregnated paper and 325 tons of newsprint paper
\$982,000:	iron and steel, including 3000 tons of metal sheets, 180 tons of reinforcing steel, 80 tons of steel bars, 50 tons of tin sheets
\$150,000:	textiles, including 55 tons of yarn made of synthetic fibers, artificial/synthetic silk
\$146,000:	optical and precision mechanical devices, such as theodolites and others

SOURCE: PA AA, MFAA ZR 1286/84 (1975)

1 Unless otherwise indicated, international transactions are reported in United States dollars, based on the exchange rate, regardless of which currency actually was used. The amounts listed are based on an exchange rate of \$ 1 being equivalent to Thai Baht 20.

TABLE 2 Thailand's Value of Trade with the Comecon States in 1974.²

	Thai Imports	Thai Exports
	(\$'000s)	(\$'000s)
Soviet Union	7.360	23.000
Poland	11.430	6.300
CSSR	5.000	—
Romania	2.860	600
Hungary	1.800	—
Bulgaria	1.800	—
GDR	1.900	—
Cuba	—	—

SOURCE: PA AA, MFAA ZR 1286/84 (1975).

of Thailand's total imports and 1.2 percent of Thailand's total exports of goods (see Table 2) (PA AA MfAA ZR 1286/84 1975, 8).

In the same year, Thailand's total exports amounted to \$2.45 billion, twenty-six percent of which went to Japan. A distant second was the Netherlands with 8.8 percent, trailed by the U.S. (7.6 percent), Hong Kong (7.2 percent) and Taiwan (6.7 percent). The Federal Republic of Germany (FRG) was ranked ninth, with 2.2 percent of the total Thai exports going to West Germany in 1974. In terms of Thailand's total exports in 1974, which stood at approximately \$3.2 billion, Japan again came in first with a share of 31.4 percent, followed by the U.S. with 13.5 percent and the FRG with 7.3 percent (PA AA MfAA ZR 1286/84 1975, 4–6).

On December 25, 1970, more than two decades after the two countries had established diplomatic relations in 1949, Thailand signed its first-ever trade agreement with the Soviet Union. By 1974, Thailand had also signed trade agreements with the Socialist Republic of Romania, the People's Republic of Bulgaria and the Czechoslovak Socialist Republic, and was in the middle of active negotiations with the Polish People's Republic (PA AA MfAA ZR 1286/84 1975, 9).³

As Richard Cooper has pointed out, historians usually place their focus on military aspects of the conflict and the diplomacy behind it. The analysis

2 With the exception of Mongolia; Vietnam joined Comecon in 1978.
3 By 1974, Polish foreign trade agencies had already been pursuing the Thai market for fifteen years. The Polish trade representation had four staff. The Czechoslovak Socialist Republic began to trade with Thailand in 1956 and, in 1974, three trade representatives were based in Bangkok.

of economic relations during the Cold War plays a lesser role and, when discussed at all, mostly revolves around the comparative economic performance of states with contrasting “ideological persuasion,” that is: free world market economies vs. socialist planned economies (Cooper 2008).

In relation to the above, research on trade relations between Thailand and the Warsaw Pact states during the Cold War period has been scarce. The kingdom began to develop a role as a raw materials supplier and purchaser of cheap manufactured goods in the nineteenth century. Foreign and particularly British capital began to take an interest, despite or perhaps because the kingdom successfully avoided the temptations of colonialism (Dixon 1999, 27). Since then, the Thai economy has become increasingly integrated into the complex network of global trade relations.

While commercial ties between Thailand and the GDR had been modest at best during the Cold War period, clear progress had been made over time to create a conducive environment for increased trade and improved bilateral economic relations across existing ideological boundaries.

In this article, I use the example of Thailand's trade relations with one of the GDR's technological flagship companies, Carl Zeiss Jena, to examine in more detail the political aspects, mechanisms and structures that informed and drove bilateral economic relations between Thailand and the GDR. ‘Zeiss-Jena,’ a combination of the name of its founder (Carl Zeiss) and the original location of his enterprise, the city of Jena, was one of East Germany's most prestigious Publicly Owned Enterprises or Volkseigener Betrieb (VEB).⁴

In spite of Thailand's ostensibly close attachment to the Western ‘free world’ alliance and domestic policies driven by the paradigms of staunch anti-communism and the fear of leftist insurrections, both elected and military governments of Thailand during the entire Cold War period sought to improve economic and political ties with the socialist states of Eastern Europe. The history of Thailand's relations with Zeiss-Jena, a socialist-state-owned producer of strategically important, optical items, is testament to Thailand's ability to transcend Cold War boundaries by establishing multi-dimensional trade networks.

After overviewing the history of Carl Zeiss Jena and its direct contacts with Thailand, I will examine the period after the Second World War, including the split of the company and a related trademark dispute that reached as far as Thailand. Finally, I will discuss the 1970s, when Thailand began to engage with

4 The remainder of Zeiss Jena was re-established as state-owned Kombinat VEB Zeiss Jena; Publicly Owned Enterprise (Volkseigener Betrieb/VEB).

the East German branch of Zeiss-Jena more intensely after the resolution of the trademark dispute.⁵

2 Carl Zeiss Jena and Siam/Thailand

The Kingdom of Siam signed its first “Germany-based” agreement in 1858 when it concluded a contract of “Friendship, Trade and Navigation” with the Hanseatic cities of Bremen, Hamburg and Lübeck. The three city-states later became integral part of a unified German nation in 1871. Just a few years before, the scientific instrument maker and optician Carl Zeiss started a small business in the city of Jena in November 1846, where he produced precision mechanical and optical devices, such as telescopes, weighing scales, drawing equipment and tailored glasses (Mühlfriedel and Hellmuth 1996). His workshop was the nucleus of what was to become one of Germany’s most productive and influential research-oriented enterprises, which soon would distribute a wide range of optical products to the global market (Zeiss International, n.d.).

In the 1930s under the Nazi regime, the company increasingly focused on the production of equipment for the German armed forces, which included precision optical devices for the navy, airforce and armoured infantry units (Mühlfriedel and Hellmuth 1996). Furthermore, by the end of the 1930s, Carl Zeiss Jena had been involved in the construction of 21 planetariums across the world, including in Chicago, Milan, Philadelphia and Tokyo, contributing to its reputation as a global player in the construction of optical instruments (Zeiss International, n.d.). This reputation spread to Thailand, where Carl Zeiss Jena gained a very good reputation as a technologically advanced producer of strategically important goods. As a reflection of the global importance of Carl Zeiss Jena, the Thai royal family made a personal visit to the company premises in Jena in 1934 (see Figures 1, 2 and 3).

After the Second World War, as a result of the division of Germany, the company was split into two entities. One part of the original company remained in Jena, in the East, while the other branch was opened in West German Oberkochen, with the involvement of the U.S. authorities who had brought many technicians from Jena to the West immediately after the war. After some initial adjustments, this new entity was named “Carl Zeiss Oberkochen”

5 This article is based on research conducted at the Zeiss Archive in Jena, the German Federal Commissioner for the State Security Service (Stasi) Records of the former GDR and the Political Archive of the German Federal Foreign Office in Berlin, as well as the Federal Archive in Berlin.



FIGURE 1 Queen Rambhai Barni of Siam visiting Carl Zeiss Jena on July 12, 1934, Zeiss Archive.

(Karlsch 2014, 222) and later referred to as “Zeiss-Oberkochen.” In 1948, one year before the creation of the German Democratic Republic, Zeiss-Jena was nationalized by the socialist authorities under the name “VEB Carl Zeiss Jena.”

Both Zeiss company entities produced similar products and instruments, making them direct competitors on the German and international markets (Karlsch 2014, 223).⁶ As part of that competition, both branches claimed the exclusive right to the use of the term “Zeiss” in their company name, as well as the exclusive use of the trademark rights granted to the original and unified Carl Zeiss Jena company prior to 1945 (Mühlfriedel and Hellmuth 1996). After the establishment of the two German states in 1949, a protracted judicial conflict between the Zeiss branches in East and West Germany ensued as of 1954, spanning a number of international jurisdictions. These legal disputes revolved mainly around the ownership of company assets, the use of the term Zeiss in the company name and a total of 87 trademarks, including the Tessar, registered by Carl Zeiss Jena prior to the Second World War (Pfeil 1997, 53–54). Some courts, such as those in Yugoslavia and Czechoslovakia, supported the

6 After the trademark dispute between the two company branches in East and West erupted openly, both sides engaged with the highest echelons of their respective governments to strengthen their individual positions. In relation to the GDR, the head of the state and communist party, Walter Ulbricht, instructed the head of the government's planning committee, Bruno Leuschner, on May 7, 1954 to influence the socialist states “Council for Mutual Economic Assistance” (Comecon) and the People's Republic of China to exclude the West German branch Zeiss-Oberkochen from their respective markets. This was a reaction to the fact, that in 1953, Zeiss-Oberkochen had exported optical products valued at twenty-five million Deutsche Marks to Eastern Europe and China. The GDR wanted Zeiss-Jena to be commissioned to deliver these optical goods.



FIGURE 2 King Prajadhipok and Queen Rambhai Barni of Siam visiting Carl Zeiss Jena on July 12, 1934, Zeiss Archive.



FIGURE 3 King Prajadhipok of Siam visiting Carl Zeiss Jena on July 12, 1934, Zeiss Archive.

positions of Zeiss-Jena, while others followed the legal arguments of the Zeiss-Oberkochen lawyers. In most cases, the respective verdicts were driven by political considerations. This became particularly evident in the case of Egypt. The initial court decision was in favour of Zeiss-Oberkochen. With the fundamental political changes occurring in the wake of the 1956 Suez-crisis, Egyptian judges revised that decision to allow Zeiss-Jena to operate with their company name and trademarks in Egypt. Following another political rapprochement with the West in 1963, the Egyptian judiciary, in another twist, reinstated the exclusive rights of Zeiss-Oberkochen in Egypt yet again (Pfeil 1997, 54).

In 1955, the dispute also entered Great Britain's legal system, when the East German Carl Zeiss Foundation, represented by the Council of the District of Gera, brought a case to the High Court in London, in which the GDR-based plaintiffs requested the transfer of all financial assets of the West German Zeiss branch in Oberkochen back to the "mother company" in Jena (Karlsch 2014, 225–226). The lawyers of Zeiss-Oberkochen immediately challenged the complaint on procedural grounds, arguing that the East German district of Gera did not have any legal standing to file the complaint on behalf of Zeiss-Jena. The Federal Republic of Germany insisted that the United Kingdom had yet to recognize the GDR as a sovereign state.

This and the other international judicial disputes about the Zeiss company name and the trademark rights indicated a global impact reaching as far as Thailand, with consequences for the East German branch in Jena, which missed out on sales and trade opportunities in Thailand during the 1950s and 1960s.

3 The Trademark Dispute Reaches Thailand

Starting from the 1950s, Zeiss-Jena sought to reinvigorate relations with Thailand. The East German company was particularly interested in exporting one of its most iconic products, the "Tessar" camera and projection lens, which had been designed for Carl Zeiss Jena in 1902 by German physicist, Paul Rudolph. Over the years, the Zeiss lens had become an international standard and different versions of it had been fitted to many millions of cameras worldwide.

Up until 1954, the interests of Zeiss-Jena in Thailand had been represented by the Bangkok- and Hamburg- based B. Grimm company, which had resumed its business activities in Thailand in 1949 (Tonsakulrungruang 2018, 495 and

B. Grimm, n.d.).⁷ Zeiss-Jena company records show that on several occasions during the early 1950s, B. Grimm branches in both Hamburg Bangkok brokered the sale of its optical products to clients in Thailand (VA 6086 1952, 1953, 1954).

However, with the intensification of the legal and political battles over trademarks, especially by Zeiss-Oberkochen, the Western-based B. Grimm company decided to end its cooperation with Zeiss-Jena in the GDR (VA 6086 February 19, 1964). It can only be speculated whether, with the politicization of the trademark conflict pitting East and West German economic interests against each other, B. Grimm might have decided to sever contacts with Zeiss-Jena in the GDR, in favour of the West German branch in Oberkochen (VA 6086 February 19, 1964; May 20, 1964). There is no indication, though, that the Thai government intervened in this conflict on the side of West Germany's Zeiss-Oberkochen. On the contrary, a letter from the GDR line ministry in early 1955 informed Zeiss-Jena's legal representative that the Thai government would soon be allowing the use of existing German trademarks, regardless of which entity, East German or West German, filed the request. Thailand neither banned nor sanctioned against the use of trademarks and the sale of goods by East German companies, including Zeiss-Jena's optical products (VA 6086 1955, 1956).

After having lost B. Grimm as a sales representative, Zeiss-Jena approached another West German company based in Bangkok, R. Schaller.⁸ Through the services of R. Schaller, Zeiss-Jena became aware of the fact that B. Grimm was now officially working as a representative for Zeiss-Oberkochen, having registered important trademarks for the West German company, including the prestigious Tessar (VA 6086 1958). Schaller also informed Zeiss-Jena that the Thai side had declared neutrality in this trademark dispute and was awaiting the outcome of the pending international judicial procedures (VA 6086 1958). After the severance of relations with B. Grimm, and an unsatisfactory business

7 The B. Grimm Company was established as a pharmaceutical dispensary in Bangkok in 1878 by the German pharmacist, Bernhard Grimm and his Austrian associate, Erwin Müller. In 1903, the company hired Adolf Link, a pharmacist from Lübeck, and he managed to expand the businesses of the company into various sectors, including in infrastructure, agriculture and telegraph concessions. The company at that time was benefitting from King Chulalongkorn's increased efforts to modernize Siam based on Western concepts and products. The company was affected by both World Wars when it twice had to temporarily suspend its activities in Thailand but eventually the B. Grimm Company managed to reopen its representation in Bangkok in 1949 under the guidance of Adolf Link's son, Herbert. The latter was supported by his brother Gerhard, who was charge of the West-German branch of the B. Grimm Company based in Hamburg.

8 R. Schaller was a commercial laboratory, qualified analytical and pharmaceutical chemist, a commercial analyst, quality surveyor and consulting industrial chemist. Its address in 1964 was 225 Wireless Road.

relationship with R. Schaller, Zeiss-Jena's trading efforts in Thailand, ground to a virtual halt for almost a decade. The reasons for the long delays are outlined in an internal Zeiss-Jena document in February 1964:

In the past, Thailand had been a good marketplace for us. In 1954, though, we lost contact with the Thai market after the Grimm Company severed contact with us. The establishment of relations with a new representative company in Bangkok, R. Schaller, which started in 1957, did not produce the expected results. We have therefore decided to commission Nichimen to represent our interests and this company will take up its new assignment shortly

VA 6086 February 19, 1964

It took until 1964 for Zeiss-Jena to reinvigorate its efforts to compete with Zeiss-Oberkochen over the sale of precision optical products on the Thai market. With the help of the Tokyo-based Nichimen company, Zeiss-Jena was seeking legal options to challenge the prevalence of the West German company branch in Thailand. In essence, Zeiss-Jena wanted to explore the possibility of action for the cancellation of trademarks, registered in favour of Zeiss-Oberkochen. However, as the GDR at that time had no diplomatic relations with or formal representation in Thailand, in contrast to the Federal Republic of Germany, these plans had to be aborted (VA 6086 May 20, 1964).

Despite these challenges, Zeiss-Jena never gave up on its endeavor to penetrate the Thai market, because the senior management of the company was aware of Thailand's huge demand for optical measuring technology, microscopes and topographical measurement equipment, including surface meteorology equipment (VA 6086 1967).

4 **Zeiss-Jena in Thailand After April 1971**

On March 6, 1964, the British High Court decided in favor of the GDR plaintiffs in a verdict that sent shockwaves through the West German political establishment. Zeiss-Oberkochen immediately appealed the decision to the London Court of Appeal and, this time, the West German side prevailed, with the court rejecting the right of the East German plaintiffs to file the motion on procedural grounds. The East German plaintiffs in turn took the case to the highest relevant court, the House of Lords. This was a very important step, since decisions of the House of Lords are traditionally regarded as binding on

all Commonwealth jurisdictions. In its decision, the House of Lords abrogated the verdict of the Court of Appeal and returned the case to the High Court to finally decide on the substance of the matter, i.e., which Zeiss entity owns the name and trademark rights of the Zeiss brand (Karlsch 2014, 226).

When the High Court finally opened the first hearings on the substance of the case in January 1971, after more than a decade of procedural battles, the global economic and political situation had fundamentally changed. Now, both Zeiss companies were suffering from structural and economic problems (Karlsch 2014, 226). In the GDR, the handover of power from Walter Ulbricht to Erich Honecker was looming. At the same time, in West Germany under the aegis of a new government coalition between the Social Democrats and the Liberal Party led by chancellor Willy Brandt, a new policy of rapprochement (*Entspannungspolitik*) had replaced the strictly confrontational, anti-communist course of the conservative governments preceding the Brandt administration. In light of these fundamental changes and adhering to a predominantly de-politicized, business-minded approach, the lawyers of both parties negotiated a compromise that led to the closure of the entire case on April 27, 1971 (Karlsch 2014, 226). In essence, both parties to the conflict came to an agreement that identified countries in which one of the Zeiss branches would be allowed to operate and use its trademarks exclusively, without any interference from the other branch. As part of that deal, Zeiss-Jena was given the prerogative to exclusively trade with all “socialist states,” as well as Syria, Kuwait and the Lebanon, whereas Zeiss-Oberkochen was allowed to operate exclusively and use its trademarks in the states of the European Economic Community (EEC), with the exception of France, as well as in the U.S., Austria, and Greece. In a number of other states, including Thailand, both parties were allowed to operate freely and without prejudice, under the laws of these countries (Karlsch 2014, 226–227).

Zeiss-Jena immediately intensified its activities on the Thai market, commissioning the Heinrich Petersen company in Hamburg and Messrs. Jorgensen & Co., in Bangkok to represent its interests. Both received detailed information as to how Zeiss-Jena would register the trademarks for its products sold in Thailand, as well as the brand names that its West German competitor had agreed to use on the Thai market (VA 6099 1971). They also facilitated the tour of a Zeiss-Jena representative's visit to Bangkok from May 15–19, 1974 (VA 2863 1974). According to the mission report, Helmut Jakscha came to evaluate the prospects for the export of microscopes and medical equipment to the Thai market. In Bangkok, Jakscha was received by a Mr. Frank of the Heinrich Petersen Company. The two businessmen visited the United Machinery

Company Limited (UMAC), which served Zeiss-Jena as a Thai-based local agent and partner in the coming years (VA 2863 1974, and UMAC, n.d.).⁹ Already in the early 1970s, Zeiss-Jena served a broad Thai market for products in measurement technology, the medical industry, photography and mechanical engineering.

While pursuing its trade interests, Zeiss-Jena engaged several Western and Thai-based companies to act as intermediaries and agents (PA AA MfAA ZR 1284/84 1978). For their services, these Western and Thai-based agents generally received commissions ranging from 1.5 percent of the price for so-called mass products (chemicals, fertilizer, steel) to up to a 10 percent commission for the sale of machinery and technical equipment (PA MfAA ZR 1286/84 1975).

5 Thailand's Trade Policies in the 1970s

Official Thai government publications at the time describe its trade policy as neutral and free of ideological bias. Thailand acknowledged the growing global economic interconnectedness and independencies and the need to engage in foreign trade for the benefit of the national economy and was therefore open to engage in trade with “with all nations irrespective of their political ideologies or economic and social systems” (Office of the Prime Minister 1979, 246). In a speech on October 1, 1975, during the thirtieth session of the United Nations General Assembly in New York, Thailand's permanent representative to the UN corroborated Thailand's open approach to engage in trade relations with all states, irrespective of their political systems or state-sponsored ideology vis-à-vis the international community. Thailand's UN-representative noted on that occasion that 80 percent of Thailand's population was still working in the agricultural sector and that his country's economic development relied heavily on the export of food and agricultural products.¹⁰

Under the aegis of the so-called “Accelerated Rural Development Programme,” (Dixon 1999, 85)¹¹ starting from the mid-1960s, Thailand had

9 UMAC was established in Thailand on June 7, 1956 by Choosakdi Chittkusol. In those days, UMAC “was involved in importing and supplying superior quality products in the categories of water pumps, electricity generators, machinery and tools, to both the government and the private sector.” Nowadays, UMAC calls itself a “leading distributor for machine tool, water pumps, air compressors and other machine tools and equipment.”

10 Thailand's comments at the UN General Assembly Thirtieth Session; 2369th Plenary Meeting on October 1, 1975 in New York.

11 Thailand focused on rural development projects in order to better transport agricultural products. The majority of investments of the so-called Accelerated Rural Development programs from the mid-1960s to the early 1970s went into road construction. This rural development program was conducted not only in the northeast but also in some provinces

improved its infrastructure for the transportation of agricultural products, including their transfer to the Port of Bangkok and from there onwards across the globe. In an almost ironic twist, this program, heavily funded by the U.S. and used for anti-communist, developmental propaganda, spurred efforts by successive Thai governments, including military governments, to engage in closer trade arrangements with Eastern European socialist nations. Even the ultra-conservative, authoritarian leader of the military government, Thanom Kittikachorn, reached out to the Warsaw Pact states, signing a first trade agreement with the Soviet Union in December 1970, followed by the establishment of Polish, Romanian, Bulgarian and Czech-Slovakian trade missions in Thailand. Another milestone in this regard was the visit of a Thai trade delegation, under the minister of economic affairs, to the Soviet Union and other Comecon members in 1971 with the aim of fostering economic ties with the Warsaw Pact states (PA AA MfAA ZR 2043/79 1971, 7–8). Both sides were interested in the markets and cross-trade shipping capacity offered by Eastern European states.

After the Thanom government was forced to step down on October 14, 1973,¹² civilian governments maintained Thailand's open approach toward engaging pro-actively with the Warsaw Pact states. In terms of Thailand's global trade policies, this translated into continued cooperation irrespective of differences in political ideology or economic and social systems (Office of the Prime Minister 1979, 246). According to Ingram, Thailand's economy and foreign trade policies had always been characterized by its close trade relations to diverse countries, as early as the 1950s (Ingram 1971, 280).

of southern and northern Thailand. Apart from the obvious economic objectives of improved infrastructure and increased productivity, these rural development programs also served the political goal of suppressing communism in the country. As the Thai Deputy Prime Minister Air Chief Marshal Dawee Chulasupp was reported as saying in 1966: "If stomachs are full people do not turn to communism."

- 12 Growing frustrations with political oppression by the Thanom Kittikachorn military government, exacerbated by economic hardship, led Thai workers and students to engage in street protests throughout the entire year of 1973. By October 1973, the workers had organized 40 strikes across the nation. These strikes were followed by student protests that began in June 1973, when a group of their peers was accused of criticizing the military regime and summarily dismissed from the university. As the strikes and student protests gained in strength, Thanom gradually lost support from the military and the palace. On the morning of October 14, 1973, with approximately half a million demonstrators converging on Bangkok streets to demand the restoration of democracy in Thailand, the military government ordered their violent dispersal. In the ensuing shootout, seventy-seven protesters lost their lives and more than 800 people were wounded. Thanom and his closest associates were forced to resign and they fled into exile on the same day.

In the 1970s, Thailand diversified its export composition considerably, both within and beyond the agricultural sector. It expanded its range of agricultural goods for export and also boosted its exports of manufactured goods and services. Although Thailand's economy was heavily affected by the global oil crisis in 1973, the country managed to avoid a recession due to its exports of agricultural products to the international market (Siriprachai 2009, 148–229), with the active involvement of Eastern European shipping companies, such as the Deutsche Seereederei (DSR) of the GDR.

During the second half of the 1970s, the Thai economy fully recovered thanks to infrastructure investments and a steady increase in the exports of manufactured goods. The growth of export-oriented industries in Thailand had been fostered since the early 1970s and, by 1981, more than a third of all merchandise exports were manufactured goods – a threefold increase since 1971 (Siriprachai 2009). Thai government reports from the late 1970s confirm this new direction of export promotion policies and describe the transformation of the country “into a fast-rising manufacturer of sophisticated products built to international standards,” while stressing the ongoing importance of agricultural products to the country, which “account for the bulk of its foreign exchange earnings and are produced in such quantities that in many commodities the country ranks as the world's number one supplier” (Office of the Prime Minister 1979, 159).

It is important to note, however, that throughout this entire period of increasing Thai – Eastern European exchange, the Thai military continued to have close control of the civilian government's policies. As Puangthong Pawakapan points out, national economic plans submitted by civilian governments since 1975 have had to include national security aspects as an integral part, testifying to the ongoing influence the military was wielding at all levels of Thai society (Pawakapan 2017, and Wise 2019, 49). Following the demise of the Thanom regime in 1973, the Thai military leadership did not seem to have any objections to its civilian successors' continuous engagement with Eastern European socialist nations in the areas of trade and economic cooperation.

6 Trade Policies of the German Democratic Republic in the 1970s

Trade between the GDR and non-communist countries began during the 1960s and spiked in the 1970s as a result of *détente*. In West Germany, beyond the general warming of relations among Cold War adversaries, a new Ostpolitik led to a new Basic Treaty in 1972, which in turn paved the way for the establishment of formal diplomatic relations between the two Germanies (Berger and LaPorte 2015, 168, and Cooper 2008, 6). In April 1974, prior to the signing

of diplomatic relations in September of the same year, GDR policymakers expressed much interest in increased economic cooperation with Thailand through the GDR's foreign trade enterprises (PA AA MfAA ZR 2036/79 1974). Thailand was seen as an emerging nation [Schwellenland], alongside South Korea and Indonesia (Scholtyssek 2003, 45).

In strategic terms, the foreign trade policies of the GDR with Southeast Asia, including Thailand, aimed predominantly at acquiring foreign currency to stabilize the national economy. In addition, through its trading activities, East Germany wanted to be recognized as a capable and reliable partner in the international arena as a member state of the United Nations and other multilateral institutions (Bayerlacher, Lindner and Schwiesau 2004, 283). Exports to a "non-socialist foreign country" [nichtsozialistisches Wirtschaftsgebiet/nsw] was complicated, because the GDR currency, issued by the State Bank of the GDR and officially called "Mark der DDR" [Mark of the GDR], was not convertible into other currencies. As a resource-poor country, the GDR was dependent on an export-strong industry right from the start. East Germany obtained 80 percent of the resources it needed from the socialist economic community known as Comecon, of which the GDR had been a member since 1950. Comecon member countries included Albania, Bulgaria, Czechoslovakia, Cuba, the GDR, Mongolia, Vietnam, Poland, Romania, Soviet Union, Hungary, Yugoslavia, China, Laos and North Korea (Judt 2015, 19). The organization, established in 1949 in response to the Marshall Plan, practiced a kind of barter system on the basis of a collective, international socialist currency and accounting unit, the so-called transfer rouble. The Comecon was supposed to coordinate national economic plans and oversee the specialization of the economies of the member countries. In the context of economic specialization, it was decided which country would focus on producing certain products and goods, in order to achieve the most efficient and cost-effective production system among the member states. Who produced what in which country was fixed; however, these directives were "never received enthusiastically by many Comecon members, there was no effective mechanism for multilateral trade or for balancing trade over time, and trade was not thoroughly integrated into the five-year planning process" (Cooper 2008, 5).

In 1954, due to the increasing intensity of the Cold War and related political efforts to win over the population of the GDR, the Soviet Union ended the forced reparation scheme and became instead one of the GDR's largest trading partners. The GDR foreign trade enterprises were formed in the context of the termination of the reparation payments. East German companies and producers had no say over foreign trade and did not engage directly in any transactions with foreign buyers. The Ministry for Foreign Trade had full

control over all matters related to foreign trade, including the selection of trade partners and the volume and composition of trade. Any business activities and transactions with foreign trading partners were usually carried out by the state-owned Foreign Trade Enterprises (FTEs), such as Zeiss-Jena (Porter 1982, 7, 11).¹³ Foreign trade could be seen as one of the GDR's main strategic foreign policy tools in its struggle for state recognition. Overall, foreign policy attempted to use trade as an important means of increasing East Germany's contacts with the West (Berger and LaPorte 2015, 71).

Since negotiations and the conclusion of trade agreements with other countries proved to be difficult for the GDR, especially with Western states, the Ministry of Foreign Trade and Inner-German Trade founded the Chamber for Foreign Trade [Kammer für Aussenhandel] on November 14, 1952. While this Chamber for Foreign Trade was under the authority of the Ministry of Foreign Trade and Inner-German Trade, and after 1967, the Ministry of Foreign Trade, respectively, it was formally a "social organization" [gesellschaftliche Organisation] of foreign trade enterprises, state combines, export enterprises and other state organs involved in foreign trade. In essence, foreign trade was a prerequisite to the procurement of products and goods from other countries that could not be produced or were only produced at high costs in East Germany.

After the conclusion of formal diplomatic relations in September 1974, the GDR pursued multiple interests in Thailand (MfS-HA II 32659 1980, 65). On the one hand, East German policymakers considered Thailand important for geopolitical reasons, due to the country's growing importance in the region and the fact that Bangkok hosted several regional and international organizations, such as ASEAN and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). On the other hand, the GDR was also interested in bilateral trade opportunities with Thailand, particularly in the export of chemical products, pharmaceuticals and laboratory and hospital equipment, and to some extent the import of rubber, non-ferrous metals and canned fruits. As a result of the ongoing rapprochement between the GDR and Thailand, foreign policy strategists in East Germany wanted to pursue a trade agreement with Thailand with greater intensity (PA AA MfAA ZR 2034/79 1975, 23). The underlying top priority for the GDR was the expansion of export markets in

13 Approximately half of the GDR's Foreign Trade Enterprises (FTEs) were organizationally part of specific holdings or conglomerates of state-owned enterprises (VEBs) which were called *Kombinate*. The FTE Carl Zeiss Jena, which was part of the Kombinat Carl Zeiss Jena, was an example of this kind of FTE.

order to obtain much needed foreign currency (PA AA MfAA ZR 1284/84 1981, and BArch DL 2 6133 1981).

7 Zeiss-Jena in Thailand After 1974

During the Cold War period, optical products continued to play an important role as a global trading commodity, including for Thailand. Thus, Zeiss-Jena representatives continued to travel to Bangkok, especially after the signing of diplomatic relations in September 1974. In addition to providing customer support, maintenance and repair services, Zeiss-Jena staff also explored new business opportunities leading to new sales contracts with private companies and Thai government institutions, and participated in international conferences in Bangkok. The international conferences were a welcome opportunity for Zeiss-Jena representatives not only to engage with the international community but also to initiate marketing and sales meetings with Thai partners on the sidelines of these events. In so doing, the Zeiss-Jena experts managed to set up a network of relations with individuals and institutions in Thailand, including government offices such as the Department for Business Economics, at the Ministry of Commerce (VA 3302 1976); the Royal Thai Survey Department, which is a special services group under the Royal Thai Armed Forces Headquarters RTSD (n.d.);¹⁴ the Department of Lands under the Ministry of Interior; the Agricultural Land Reform Office (ALRO) and the National Energy Authority. East German business representatives in Thailand also reached out to commercial entities such as UMAC, Erwin H. Brammer's Bangkok Office, Vidhayakom Co Ltd., T. Sanpanich Ltd. PNS, Theo Heng Silom Co Ltd., Black & White Co. Ltd., SIAM Medico Supply Co., and George Kent (VA 3302 1976). Zeiss-Jena had a particular interest in the sale of measuring devices to Thai institutions and government departments that were tasked to conduct surveying work for the purposes of land reform and environmental protection. In January 1975, Thailand's legislature passed the country's first-ever land reform law, which was hailed at the time as a "revolutionary" new deal for Thailand's five million farming families (Ramsay 1982, 173–96). Zeiss-Jena senior management quickly saw the market potential of the land reform scheme, since the

14 The Royal Thai Survey Department (RTSD) is responsible for conducting ground and aerial surveys, producing topographical maps of Thailand and geo-information in supporting national security and developing the country, carrying out geodetic and geophysical surveys and also providing academic courses and training in the field of survey corps.

purchase of optical devices for the surveying would be backed by state funds (VA 3545 1978).

In June 1976, a Zeiss-Jena employee who doubled as an unofficial informant (Informeller Mitarbeiter-IM) for the Ministry for State Security (Stasi) went on a sales trip to Thailand, Indonesia and Singapore. Under his code-name of "Mucha," he wrote a detailed report to the Stasi in East Berlin about his meetings with Western and Thai companies, as well as Thai government and military officials in Bangkok. Among others, Mucha met with a three-star general at the Royal Thai Survey Department, a unit of the Thai Armed Forces. Mucha reported that the general, who had studied photogrammetry in Delft and whom he described as one of Thailand's leading specialists in this professional field, showed strong interest in developing a trading relationship with Zeiss-Jena. The meeting was facilitated by Zeiss-Jena's local agency in Bangkok, UMAC. According to Mucha, UMAC wanted to facilitate Zeiss-Jena's export of optical land surveying instruments to Thailand (MfS-HA XVIII 9118 1976).

In January 1977, two Zeiss-Jena engineers participated in the Eighth United Nations Regional Cartographic Conference for Asia and the Far East, in Bangkok. During that mission, they were also invited to the Royal Thai Survey Department in Bangkok, where they were given access to the Department of Lands and had the opportunity to inspect the technical equipment that Thai land surveyors were using at the time. Together with delegations from other Eastern European states, including the Soviet Union, the two Zeiss-Jena representatives attended a reception by the Minister of Defence, admiral Sangad Chaloryu (BArch DO 1 21088 1977).¹⁵

Approximately six months later, in July 1977, several Zeiss-Jena engineers visited Bangkok for repair and maintenance services of 87 previously delivered optical surveying instruments (VA 1836 1977). The maintenance work took place on the UMAC premises. UMAC also seconded a national staff member to assist the visiting Zeiss-Jena delegation and to receive training. During the final briefing with UMAC managing director Choosakdi Chittkusol, the Zeiss-Jena engineers were informed of Thailand's growing interest in optical land surveying devices (VA 1836 1977). In 1978, another Zeiss-Jena delegation visited Thailand, facilitated by another West German agency in Bangkok, the Erwin

15 Admiral Sangad Chaloryu, was one of the leading figures behind the military coup of October 6, 1976 against the civilian government of Seni Pramoj, who had appointed him as his Minister of Defence. The following year he helped to orchestrate the ousting of Prime Minister Thanin Kraivixien, who was replaced by General Kriangsak Chomanan. In political and ideological terms, Sangad was considered to be a staunch anti-communist and an extremely close ally of the U.S.

Brammer company. This time, the Zeiss-Jena engineers came to understand that state agencies themselves were interested in direct purchases of optical surveying equipment. Working with state agencies was considered advantageous, because firmly allocated public funds simplified the billing and collection process (VA 3545 1978).

Shortly after the signing of a formal bilateral trade agreement in November 1980, the GDR and Thailand held the first Joint Economic Commission meeting in Bangkok. The trade agreement served as a framework for the implementation of the Joint Economic Commission that was supposed to accelerate the mutual exchange of information on the recommended steps to expand trade and establish the necessary reciprocal measures among the two partners (PA AA MfAA ZR 1284/84 1981, and *Bangkok Post* February 25, 1981). As for the GDR – Thai Joint Economic Commission, a total of five official meetings of this group were held from 1981 through 1986, alternating between East Germany and Thailand, three times in Bangkok and twice in East Berlin. The meetings normally produced “agreed minutes” that included concrete recommendations to further bilateral economic relations, including strategies to establish closer relations between the relevant government institutions and companies in both countries. Sales of Zeiss-Jena optical products continued to play an important role for Thailand throughout the 1980s. Overall, the importation of optical items to Thailand during that time had been constantly on the rise.¹⁶ In support of the GDR’s overall efforts to strengthen its trade relations in Southeast Asia, the Zeiss-Jena employees could also call on the advice and logistical support of the two GDR trade councils in the region, based in Jakarta and Kuala Lumpur (BArch DL 2/MF 2349 1986).

8 Conclusion

Nowadays, we can find Zeiss optical products in many renowned and high-class shopping malls in Bangkok, such as Central Embassy (see Figure 4).

At the same time, Thailand is striving to become “ASEAN’s leading hub in the optical products” sector, hosting the renowned SILMO ASEAN Optical Fair in Bangkok since 2018 (SILMO Bangkok, n.d.).

¹⁶ In 1982, Thailand imported a total of 5.46 million Thai Baht optical / surveying tools from the GDR; 1982 trade statistics: Paawakaanka kong Prathet Thai 2525 (Trade Situation of Thailand 1982), Board of Trade]; as compared to the year 1990, when Thailand imported a total of 19,987,461 million Thai Baht optical items. 1990 trade statistics, Customs Department, Bangkok, Table 3, Imports Classified by Country of Origin and Chapter, January – December 1990.



FIGURE 4 Shopping Mall, Central Embassy Bangkok
PHOTO: @ CHRISTINA WARNING, JANUARY 2020

In historical terms, Carl Zeiss Jena, with its world-renowned optical products, was an important element of German – Thai trading relations for almost a century. This relationship spanned the major conflicts of the twentieth century, including the upheavals and disruptions of the post-Second World War era that directly affected the company, which was split into two entities, virtually along the front lines of the Cold War.

While, during the Cold War period, the overall trade relations between Thailand and socialist Eastern European countries such as the GDR played only a minor role in terms of financial volume, they were nonetheless an important vehicle for exchange and continued collaboration during those challenging and conflict-laden times. As demonstrated by the example of Zeiss-Jena, the trading relations between the East German company and Thailand in the 1970s, at the height of the regional political tensions and anti-communist hysteria in Thailand, were based on a sophisticated network of actors that literally transcended the ideological fault-lines as defined by the traditional political narrative of the Cold War.

To enhance the sale of optical instruments sought by its Thai partners in government and business, Zeiss-Jena of the GDR managed to establish a diverse network encompassing Thai and West German private agencies, as well as Thai government institutions, including the military. In particular, Zeiss-Jena's access to and cooperation with the Royal Thai Survey Department under the command of the Royal Thai Armed Forces Headquarters was truly remarkable, given the staunch anti-communist

campaigns orchestrated by the military establishment during that time. The Royal Thai Survey Department granted representatives of Zeiss-Jena several opportunities to access their premises and their technical equipment, as well as to discuss the potential purchase of optical surveying instruments. This was happening at a time when the Thai military was staging national security and anti-insurgency campaigns against a perceived communist threat in the country and the entire region. The Thai political and military leadership of the time, while publicly propagating a strict anti-communist stance complemented by orders to violently crack down on anything considered “left-wing,” showed no restraint when it came to engaging in business and trade relations with communist states, including the GDR. To do so, Thai military, government and business elites had created and commissioned their own proxy networks, agencies and channels that were tasked with engaging in transactions with these Eastern European, socialist companies, as shown in the example of Zeiss-Jena.

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