

## Military government weekly information bulletin. Number 120 November 1947

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#### MILITARY GOVERNMENT

# WEEKLY INFORMATION BULLETIN

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#### Cover Picture

PRIZED POSSESSIONS — A
CRALOG representative tries a
new pair of shoes on a German
child at Darmstadt. The shoes,
and a can of powdered milk which
the child clutches, were gifts from
CRALOG. An article on the activities of CRALOG appears on
Page 7 of this issue.

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U.S.)
CONTROL OFFICE, APO 742, US ARMY

#### REVIEW OF US OCCUPATIONAL ACTIVITIES

Digest of the Military Government Semi-Monthly Report No. 79 for Period Ending 10 November 1947

Public Safety — No major developments in the incidence of crime were noted during the latter part of October in the US Zone with the exception of an increase in blackmarket offenses reported in Bremen as the result of a concentrated drive, and a decrease of 864 thefts in Bavaria.

Food & Agriculture — 120,000 K-rations and 120,000 C-rations were made available for the incentive program for Ruhr miners ... Food imports for October amounted to 285,778 metric tons, of which flour and grain from the United States amounted to 94 percent.

Coal — Hard coal output in the British Zone continued to rise during October, reaching a new daily record of 272,581 metric tons on 4 November, Absenteeism among mine workers declined from 17.5 percent to 14.2 percent for the week ending 26 October.

Inland Waterways — The water level on the Rhine River receded 1 November to 45 centimeters at the Kaub, Hesse, gauge, the lowest level ever recorded on the Rhine ... The transfer to the German economy of craft originally allocated by the Tripartite Naval Commission to the United States has been completed.

Highways — Of 64,319 tires received at German ports from the United States and the United Kingdom, 56,761 have been distributed to the Laender of the Combined Zones for immediate use on trucks engaged in the programs to move the harvests and fuel wood ... Arrangements have been completed for the first issue of 1,500 surplus US military vehicles to the German economy under a recently instituted program.

Electric Power — The extremely grave power situation in the US Zone, resulting from the prolonged drought, required the continuance of the daily practice of cutting off the supply affecting entire areas ... The coal stocks at US Zone hard coal generating

plants improved in spite of the increased volume of generation.

Oil — Shipments from Bremen to the US Zone reached a new high during October, with more than 25,000 metric tons of gasoline and about 21,000 metric tons of diesel fuel delivered.

Internal Trade — The period during which programmed deliveries of iron and steel can be made under the 1947 Bizonal-Soviet trade agreements has been extended to 31 March 1948. In order to meet outstanding iron and steel commitments of the Bizonal Area, monthly deliveries from 1 October to 31 March will average approximately 18,500 metric tons.

Reparations — A 500-MPH wind tunnel, used mainly for the testing of fighter planes, was destroyed at the Messerschmitt plant at Augsurg, Bavaria.

Restitutions — The first authorization for the release of securities, covering some 46 million guilders worth of Netherlands state bonds, was issued to the Netherlands Restitution Mission ... Noted restituted pieces included the Neptune fountain, a 17th-century bronze taken by German troops from Petershof near Leningrad, to the Soviet Union, and Andrea del Sarto's "Mary and Child" and Rembrandt's "Head of Christ" to the Netherlands.

Finance - In connection with new payment agreements, special accounts have been established in the Sveriges Riksbank, Stockholm, for trade between Sweden and the Combined Zones. These payments agreements follow the same general pattern of those formerly negotiated ... Payment arrangements have thus far been concluded between the Combined Zones and the following European countries: The Netherlands, Czechoslovakia, the Belgo-Luxembourg Union, Denmark, Sweden, France, Switzerland, Italy, Finland, Norway, Hungary, Greece, Bulgaria, and Austria.

Communications — 1,300,000 gift relief parcels from the United States were received in Germany during October. Of these, 435,000 were addressed to the US Zone, 500,000 to the British Zone, 106,000 to the French Zone, and 218,000 to the Soviet Zone and the City of Berlin.

Film — US-controlled film studios in Munich and Berlin completed the German-language synchronization of three American feature films: "Gaslight," "Our Town," and "The Seahawk"... Work has begun on a film covering the dismantling of factories. The film will answer current German objections to the dismantling program.

Theater — Copies of the American play, "I Remember Mama' by John van Druten, adapted for the German stage and translated by Garl Zuckmayer, have been distributed. Its first German performance was scheduled at the US-licensed Hobbel Theater in Berlin. Another van Druten play, "The Voice of the Turtle," is playing to capacity audiences in Bremen and Berlin.

Youth Activities — An agreement allowing the exchange of visits by groups from US and French Zones of Wuerttemberg has been reached by officials of the US and French Military Governments.

Public Health — Incidence rates for tuberculosis, typhoid fever, dysentery, scarlet fever, and poliomyolitis were higher in October than they were a year ago. As compared with September, there was a slight increase in October in rates for diphtheria, scarlet fever, and syphilis. Gonorrhea and typhoid fever decreased slightly below their September rates.

Displaced Persons — An arrangement has been made with British Zone authorities and PCIRO for the permanent transfer of displaced persons between the Combined Zones in order to reunite families. Exchanges will be made on a reciprocal basis in quotas to be periodically established though mutual agreement with the CCG (BE).

## Economic Situation Occupied Germany

#### Part I — Background

PREWAR GERMANY was the most powerful industrial country in Europe, ranking first in the world in the production of brown coal, second in the production of steel and electric power, and third in the output of hard coal.

In order to sustain her prewar economy, Germany imported large quantities of food and industrial raw materials. Germany's efforts to balance her economy after the first World War, followed by the drive for self-sufficiency under the Nazi regime, reduced imports by about 30 percent from RM 14,000,000,000 in 1928 to an average of about RM 10,000,000,000 in 1936-38 (1928 prices). Even at this reduced level, Germany was behind only the United Kingdom and the United States in the value of its imports and balancing exports.

Despite all efforts to increase domestic food production, Germany was only about 75 percent self-sufficient in the late thirties. About 35 percent of German prewar imports were agricultural products, and another 35 percent consisted of industrial raw materials, principally textile fibers, hides and skins, and iron and other metal ores. Semi-manufactures, particularly petroleum and non-ferrous metals, made up the bulk of the remainder.

PREWAR Germany, Potsdam Germany, and occupation zones. Potsdam Germany is the area west of the Oder-Neisse line. Germany's exports consisted almost entirely of industrial products, with about 80 percent in the form of finished goods. Machinery, chemicals, textiles, iron and steel, metal products, electrical equipment, and coal constituted the bulk of the export trade.

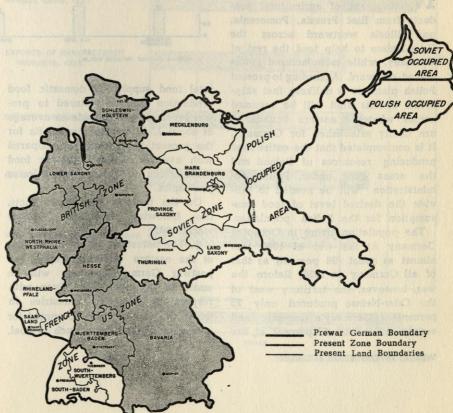
Germany's invisibles such as fees and charges for transportation services were fairly well balanced before the war, partly as a result of debt defaults and moratoria. In 1935, the last year for which data are available, there was a net credit balance of RM 450,000,000 from services—mostly shipping and transit charges—and a

This is the first of a series of six articles taken from the recently-issued "Economic Data on Potsdam Germany," a special report of the Military Governor prepared by the Economics Division, OMGUS. Requests for the 90-page booklet may be referred to Reports Branch, Control Office, OMGUS, APO 742.

net debit balance of RM 550,000,000 of dividend and interest payments to foreign account.

B ASED ON OFFICIAL figures, the German national income in 1936 was RM 66,000,000,000. (This figure is probably too low because of the omission of military and certain other government expenditures. Independent estimates have set the probable value at about RM 80,000,000,000.) On a per capita basis, this income was about RM 960 per person. The level varied considerably for different regions. It was highest in Berlin, being over 1,6000 per capita. In what is now the French Zone, it was about RM 650, and in the area now comprising the US and British Zones the level was at about the average for the Reich.

The "separated" territory—those areas east of the Oder-Neisse Rivers,



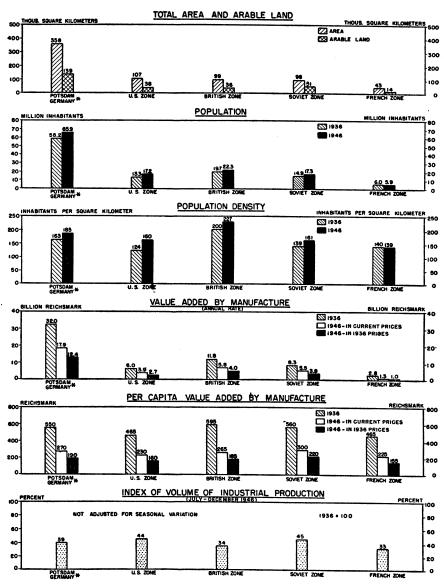
including both the portion under Polish administration and the northern section of East Prussia under Soviet control, represents 24 percent of the total land area and 28 percent of the arable land in the prewar (1936) Reich and produced about one-quarter of its domestic food output. On the other hand, it accounted for 14 percent of the population, 13 percent of the employment, 11 percent of the national income, approximately 6 percent of the value added by manufacture, and only 3 percent of Germany's industrial exports.

While the industrial potential of the separated areas is thus small in over-all terms, these areas nevertheless contributed an important part of German hard coal production (16 percent in 1936), about 17 percent of the net value of lumber output, 19 percent of the paper and pulp (especially paper sacks), and 24 percent of the output of alcohol (principally from potatoes).

Before the war the separated areas gave employment to about one-fifth of all workers in agriculture and forestry; produced 26 percent of Germany's breadgrains, including 32 percent of its rye; grew 30 percent of its barley and potatoes; and accounted for more than 20 percent of its cattle, hog, and sheep populations.

N ORMALLY, there was substantial movement of agricultural products from East Prussia, Pomerania, and Silesia westward across the Oder-Neisse to help feed the rest of Germany, while manufactured goods moved eastward. According to present Polish plans, it is unlikely that shipments of this kind will be resumed across whatever eastern boundaries are finally established for Germany. It is contemplated that the entire food producing resources of Poland and the areas now under Polish administration will be needed to provide the desired level of food consumption for the Polish population.

The population living in Occupied Germany at the end of 1946 was almost as great (98 percent) as that of all Germany in 1936. Before the war, however, the territory west of the Oder-Neisse produced only 75 percent of Germany's domestic food supply, or about 57 percent of her



- POTSDAM GERMANY INCLUDES BERLIN

total food supply. If domestic food production can be restored to prewar levels, it will provide an average of about 1,700 calories per capita for the present population, as compared with average German prewar food consumption of about 2,950 calories per capita.

On the basis of the above facts, the following inferences appear warranted:

1. The industrial impact of the loss of the eastern territories upon the postwar German economy will be small in the aggregate. Even with respect to the few industries in which the eastern areas accounted for a relatively large share, such as coal,

lumber, and paper and pulp, the loss should not be serious to a reduced, peaceful German economy.

2. The loss of the agricultural potential of the separated areas is serious. Moreover, in view of the probality that food produced within postwar Poland will be kept for Polish use, it will be necessary for Germany to look to other sources for agricultural products and to find other markets for the counterbalancing shipments of manufactured goods.

A S OF SEPTEMBER 1947 the status of the Saar had not been finally determined, but the French Government had requested that the economy

of the Saar be integrated with that of France, and a number of steps in that direction had been taken. The Saar had little more than one percent of the population of prewar Germany, less than 0.5 percent of its land area, and was of little importance in agriculture. It accounted for about 1.3 percent of the total prewar industrial output and for a slightly larger but still small fraction—1.7 percent—of Germany's industrial exports.

The area was, however, a major producer of steel and hard coal. In 1936, Saar steel output amounted to 2.3 million tons, or about 12 percent of the German total. Similarly, the Saar produced about 7.5 percent of the prewar German output of hard coal and about the same proportion of its coke. If the area is integrated economically with France, these important resources will be lost to Germany, but the remaining steel and hard coal resources, particularly in the Ruhr, should be ample for the needs of a peaceful German economy.

The four occupation zones into which Germany west of the Oder-Neisse line was divided under the Potsdam Agreement are unequal in area, population, and industrial and economic potential, and none is independent, economically, of the others.

To the British Zone were assigned the whole of the prewar Prussian Provinces of Westphalia and Hanover and the bulk of the Rhine Province—by far the most important industrial province—together with the agricultural province of Schleswig-Holstein; the Free City of Hamburg with its shipbuilding industries; the prewar States of Oldenburg, Lippe, and Schaumburg Lippe; and the bulk of Brunswick.

To Soviet control were assigned Land Saxony—second only to the Rhine Province in industrial importance; the Prussian Province of Saxony; most of Brandenburg; minor parts of Pomerania, Lower Silesia, and Brunswick; and the States of Thuringia, Anhalt, and Mecklenburg.

US control was established over the large agricultural and industrial Land Bavaria with the exception of the Palatinate, the exclave west of the Rhine, the bulk of the Prussian Province Hesse-Nassau and of Land Hesse; about half of the area of Wuerttemberg-Hohenzollern, including the bulk of its population and industries; and about one-third of the area of Baden with a little more than half its population and about 55 percent of its industry. In addition, as of 1 January 1947, a new Land Bremen was formed under US control, consisting of the prewar Free City of Bremen and the area around Bremerhaven (the Hanoverian county Wesermuende).

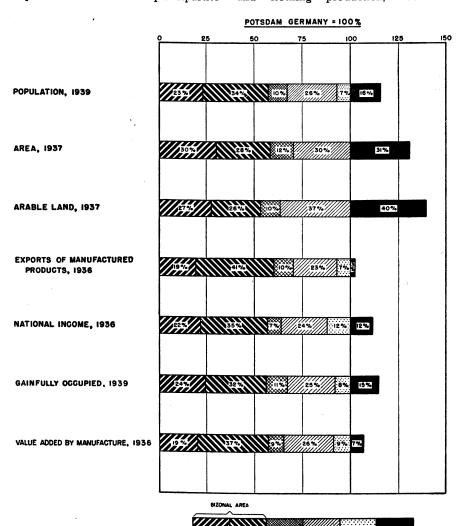
The French Zone consists of the small but important coal and steel area of the Saar, the Palatinate, and the remaining parts of Baden, Wuerttemberg-Hohenzollern, Hesse, Hesse-Nassau, and the Rhine Province.

The city of Berlin remained as a separate area under quadripartite

administration, with the Soviet Sector largest and the US, British, and French Sectors following in that order:

Bizonal Area: The agreement between the US and British Governments which consolidated the economic potentials of their respective zones resulted in the establishment of an economic unit which before the war accounted for 56 to 58 percent of the area, population, employment, manufacturing production (measured in terms of value added by manufacture), and national income of that portion of Germany west of the Oder-Neisse, and for 60 percent of its industrial exports.

The industries of the Bizonal Area are well diversified, with the exception of electrical manufacturing and clothing production, both of



which were concentrated to a large extent in Berlin, and of optical and precision instruments, in which the Soviet Zone had the largest share. The net value of the Area's production for each industry group was in no case less than 33 percent of the 1936 totals for Germany west of the Oder-Neisse.

The principal economic liability of the area lies in the fact that it is a major food deficit region, its prewar agricultural output being only 35 to 40 percent of the total for prewar Germany, or about 50 percent of that for occupied Germany. It produced only 55 to 60 percent of the food requirements of its population, or about 1,700 calories per capita.

British Zone: In terms of population and industry the British Zone is by far the largest of the four zones into which occupied Germany is divided. Before the war, it held 34 percent of the population of the portion of Germany west of the Oder-Neisse and accounted for 37 percent of its industrial output measured in terms of value added by manufacture.

The Rhine-Westphalia region (now Land North Rhine-Westphalia), which includes the Ruhr Basin, is the industrial heart not only of the zone but of all of Germany and, in a broader sense, of Western Europe. In 1936 the net value of the industrial output of this one area amounted to about one-fourth of the total German production; being almost as great as that of the entire Soviet Zone and considerably exceeding that of the US Zone.

During that year the British Zone as a whole accounted for 41 percent of the industrial exports and 35 percent of the national income of occupied Germany. It embraced about 74 percent of hard coal production and 75 percent of prewar Germany's total ingot steel output. It accounted for about 60 percent of the value of liquid fuels and lubricants produced, 60 percent of the iron and steel manufactures and 73 percent of the iron and steel construction (particularly shipbuilding). It is the leading zone in the manufacture of machinery. especially machine tools and heavy machinery.

In terms of both land area and arable land, however, it is outranked by the Soviet and US Zones.

(Because the economy of Bremen is, for all practical purposes, integrated with that of the British Zone by which it is wholly surrounded, the figures for the British Zone used above include Land Bremen, which is under US control. However, with exception of shipbuilding, the exclusion of Bremen would not change the picture appreciably.)

US Zone: The zone (excluding Bremen) had 23 percent of the prewar population of occupied Germany, and contributed 19 percent of manufacturing production and of industrial exports, and 22 percent of the national income. The zone is poor in basic materials such as coal and steel, but includes highly-developed manufacturing industries.

Thus in 1936 about 40 percent of vehicles production was concentrated in what is now the US Zone, and its machinery industries included substantial portions of German's output of agricultural machinery, roller bearings, and gears. The zone had more than a third of Germany's leather production, especially fancy leather goods. It was also the largest producer of lumber. It has almost 30 percent of the land area and 27 percent of the arable land of Potsdam Germany and the largest cattle population.

It is evident that the economic merger of the British and US Zones has resulted in the establishment of a much better balanced economic unit by combining the coal and steel resources of the Ruhr with the US Zone's specialized manufacturing facilities and making the agricultural potential of Bavaria available to the industrial centers of northern Germany.

Soviet Zone: The zone (excluding the city of Berlin), with 26 percent of the prewar population of occupied Germany, accounted for 26 percent of the value added by manufacture in 1936, 23 percent of the industrial exports, and 24 percent of the national income. The zone ranked first in the production of brown coal, optical and precision instruments, metal goods, jewelry, ceramics and glass

(with the Jena optical works), pulp and paper, and textiles.

It has the largest land area (slightly more than 30 percent) of the territory west of the Oder-Neisse and much the largest share of arable land (about 37 percent). It is by far the most important agricultural territory, accounting before the war for about 40 percent of the breadgrain and potato production of Potsdam Germany and almost half the sheep population.

As compared with the total for all prewar Germany, including the area east of the Oder-Neisse, the prewar food output of the zone was about 30 percent, and its population about 22 percent. This means that the zone (still excluding Berlin) was about self-sufficient in food, with an output per capita of some 2,900-3,000 calories.

French Zone: With 10 percent of the population and about 12 percent of the area of occupied Germany, the zone contributed about nine percent to value added by manufacture and industrial exports and about seven percent to national income during 1936. It includes the Saar Basin, which is second only to the Ruhr in the production of hard coal and steel.

The economic integration of the Saar with France would deprive the area of only about one-sixth of its total manufacturing potential, but the loss of its coal mines and steel mills would, of course, have a marked impact upon the zone's economy.

Before the war the zone also included considerably more than a proportionate share of lumber and leather production (it was the leading shoe producer) and many important chemical plants. These last three industries are all concentrated almost entirely in the part of the zone outside the Saar.

While the zone is by far the largest producer of wines and tobacco, its food output is low. Before the war its food deficit was about the same, relative to its population, as that of the Bizonal Area.

City of Berlin: The city included seven percent of the population of prewar Germany west of the Oder-Neisse and contributed nine percent

(Continued on Page 16)

SINCE THE first CRALOG shipment arrived in Bremen in April 1946, 10,727 tons of voluntarily-contributed supplies have reached the American Zone for distribution to the needy without discrimination as to race, religion, political, or social status. Through CRALOG the American people have extended a helping hand to virtually every community in this zone, with gifts of food, clothing, and medicine.

What is CRALOG?

CRALOG is the Council of Relief Agencies Licensed for Operation in Germany. It came into being by presidential directive on 19 February 1946, and 15 American volunteer agencies cooperated in its launching.

The principal shipping agencies include the American Friends Service Committee, Brethren Service Committee, Church World Service, International Relief and Rescue Committee, Labor League for Human Rights (AF of L) Lutheran World Relief, Mennonite Central Committee, National Catholic War Relief Service, and Unitarian Service Committee. Each of these agencies also carries on an independent worldwide relief program. In CRALOG they cooperate for a joint effort in relief to Germany.

These donor agencies have a network of organizations in the United States to receive from church and civic groups gifts of food, clothing, and money for the purchase of

VOLUNTEER workers of the Evangelisches Hilfswerk mend and alter CRALOG-donated clothing at a Stuttgart clothing center in preparation for relief distribution. supplies. Dotting the country are relief depots where supplies are assembled for overseas shipment. The Department of the Army, in recognition of the importance of these voluntary relief contributions, re-

Robert Kreider, who prepared the story on CRALOG's activities, arrived in Germany in April 1946 with the first CRALOG group. He has served as one of their representatives in Wiesbaden, Berlin, and Stuttglart. Pictures accompanying this article were provided by CRALOG.

cently arranged for free ocean transport.

The basic steps by which relief supplies from America reach the

needy Germans may be found in an agreement signed by OMGUS and CRALOG. This agreement, while giving assurance to the American donor that his gift will be distributed efficiently and without discrimination, places full responsibility on the Germans for the actual distribution.

The German Central Distribution Committee was created to fulfill this function. It is a US zonal agency organized by the Laenderrat and composed of representatives of German private welfare agencies. It bears the weighty title: "The German Central Committee for the Distribution of Foreign Relief Supplies under the Laenderrat." The four participating agencies are Caritas Verband (Catholic), Evangelisches Hilfswerk (Protestant), Arbeiter Wohlfahrt (Workers Welfare), and Laender Red



Cross Societies. Central Committee headquarters for the zone are located in Stuttgart.

When relief shipments arrive in Bremen they are received by an agent of the German Central Distribution Committee, while a CRALOG shipping expert is on hand to supervise the operation. From Bremen to the final recipient the work of warehousing, transporting, and distributing the welfare gifts is the responsibility of the committee. All transports of supplies into the zone are escorted by special guards, with the result that losses from Bremen to the ultimate consumer have been reduced to .004 percent.

IN MOST CASES the supplies are consigned directly to one of the four German agencies by their American counterparts. Some supplies, however, come to the German Central Committee undesignated, and their allocation and distribution is subject to joint agency action.

The bulk of CRALOG supplies are distributed to needy Germans in an individualized way in all the cities and villages of the American Zone. The procedure for selecting the needy is similar among the several welfare agencies. Individual cases of need—the bombed out, the refugees, the returning prisoner of war, the tubercular, the aged—are analyzed by social workers and assistance personally given.

The gifts are distributed free of cost to the recipients. More than half of the supplies available so far have been used for aiding the expellees from the east. A share of these supplies is used for institutional assistance to hospitals, homes for the aged, orphanages, rehabilitation homes for war injured, and summer camps.

The four German agencies have also pooled their supplies for certain cooperative projects. Notable in this was the child feeding program of 1946-'47 when approximately 200,000 of the most undernourished school children were fed in the major cities of the American Zone. Children were selected on the basis of medical examinations. The general pattern

was for the child to receive a 400-calorie meal six days a week. When this cooperative program was terminated in April 1947, the number of meals served totalled 20,204,700. The final medical surveys indicated an average weight increase of four pounds during the six-month-period in which the program was in effect.

PPROXIMATELY 80 percent of the CRALOG arrivals in Bremen have consisted of food in the following order or volume: flour, cereal, powdered milk, canned vegetables, canned milk, canned meat, soya beans, and fats. CRALOG has shipped 2,253 tons of new and used clothing, bedding and shoes.

Several special projects have been sponsored by CRALOG. In answer to an emergency request from the chief of Public Health, OMGUS, the donor agencies contributed 27 million units of insulin during the past year to meet the most urgent diabetic requirements in the American Zone. OMGUS has recently given permission to CRALOG to serve as a channel for recreational, cultural, and educational materials useful in the democratic reorientation of German life. Supplies go to such projects as the Quaker community center programs at Darmstadt and Frankfurt.

The CRALOG staff in the American Zone consists of eight representatives, two with headquarters in Berlin, the at Munich, Stuttgart, Bremen, and Wiesbaden. Their responsibilities are varied; supervising distribution by the German welfare agencies, counseling regarding distribution problems, preparing reports for CRALOG agencies in the United States, making recommendations to the American agencies relative to critically-needed supplies, and serving as liaison between the German agencies and military government.

CRALOG has also operated for more than a year in the British and French Zones, and since April 1947 in Berlin. During 1947 the shipments to the American Zone have accounted for 28 percent of the total volume of shipments to Germany. The largest flow of supplies has been directed to the populous British Zone.

## Berlin Sector Has Chest Fund Drive

The American Sector of Berlin is going through the intensified treasure hunt that characterizes Community Chest drives back home. Minute men speak wherever five people gather, solicitation teams scour the neighborhoods, pledge teams call at every office, lobbies and street corners blossom out with pretty girls and contribution boxes. There are benefits galore and even the old familiar thermometer shows the rising temperature of giving.

While the drive, which began on 22 November and will continue for one week, is spearheaded by the Women's Club, all other regularly-organized American clubs and institutions have been invited to participate. The democratic principles of the American community chest to relieve suffering and want wherever found will govern the use of the funds. The funds wil be used for Americans, Germans, and displaced persons. For the first time, the American community will have a fund ready to aid Americans in emergencies.

Most of the money will be used to help Berlin children particularly to get through the winter.

#### Monthly MG Reports

The semi-monthly reports of the OMG's of the four Laender will become monthly publications with the issue covering the calendar month of November. These reports cover all the operations and activities of the respective Land and serve the same purpose of official record and information as the Monthly Reports of the Military Governor for the entire US occupied area.

The OMG reports originally were issued weekly until they became semi-monthlies last May. With the latest change to monthly, the control symbol becomes MG/CG/1/F Nov. 47, according to OMGUS letter AGO 14.1 (CO), "Change in Frequency of Semi-Monthly OMG Report from Semi-Monthly to Monthly," dated 13 November.

## WHY ARE WE

## IN GERMANY?

WOULD LIKE to begin by asking and attempting to answer a straight question—Why are we in Germany at all?

I have in mind primarily our own people, the British, but, of course, what I have to say has much relevance to our Allies. We are in Germany, as I see it, for three reasons: first, the security reason; secondly, the educational reason; thirdly, the economic reason.

We are in Germany, in other words, to make sure that Germany does not launch another war upon the world; to assist her to develop a peaceful, democratic, and Christian mind; and to secure a measure of material compensation for the immense damage inflicted in her name by her nationals on so many other countries, while at the same time ensuring for her citizens a reasonable material standard and opportunity to lead a full and happy life.

Those purposes are closely interwoven. In the narrow sense, security is concerned with such steps as the abolition of fighting forces, the destruction of war industries, and the restriction within certain limits of all industries which can serve at all directly her capacity to make war.

STEPS OF THAT KIND, unpalatable though they must be to the Germans and not particularly palatable to us, when they involve the destruction of plants that could be converted to peaceful use, are essential parts of any rational security program, and we intend to carry them out firmly.

Few, however, I think, who have had much to do with this problem, doubt that, in the last analysis, wars are made in the minds of men. What matters far more than anything else, therefore, in doing this job in Germany—the real standard by which history will judge us—is what effect we have had or have not had, at the end of it, on the mind of the German

By Lord Pakenham

Lord Pakenham, Chancellor of the Duchy of Lancaster, who is British Minister of State for Occupied Territories, in a recent address to the Foreign Press Association in London, dealt with the work of the Control Commission in Germany (British Element) and British policy in their zone. The text of his address is herewith reprinted by permission of the British Zone Review.

people. In that sense security—the task of averting another war—is merged inseparably into German reeducation and everything done under one head must be studied in its reference to the other.

And, of course, both security and education are closely linked with economics. We cannot impose the necessary restriction, we cannot help Germany to find her feet intellectually and morally, without occupying her and without guiding in one way or another a great many of her activities, which means, on the British side, an army of occupation and a control commission which are bound to cost a great deal. We cannot do this without making sure that her standard of life is reasonable, and it would be morally wicked to try. For these purposes we have, in fact poured into the British Zone goods and servto the value of nearly 275 million pounds (approximately \$1,500,000,000) already.

WE HAVE HAD, therefore, three kinds of target to aim at during the two and a half years of the occupation—a security target, using security in the narrow sense; an educational target, and an economic target. What kind of success have we had?

Under the first head we have been extremely successful—at any rate on a short-run view. The country is disarmed and, in a military sense, tranquil. All that is taken for granted now, but it was not so certain two and a half years ago.

In the field of education, success has been partial. Schools and universities are flourishing. Our own people are cooperating most effectively with the Germans.

On the political side, democratic German politicians of proved integrity and ability have stepped forward and been voted into power through proper democratic processes, though, as you know no German central government has yet been permitted. But if I were asked whether the German people had yet given evidence of a clear change of heart since Nazi days, I would hesitate about my answer. There is a general repudiation-perfectly sincere-of Hitler and all his works, but it would be an affectation to say that there is any firm conviction among the mass of the people that democracy has much to offer in the way of practical results.

It is VERY DIFFICULT to blame the ruins of Kiel or Hamburg or Duesseldorf or Cologne or Hanover or Berlin, or to preach high morality to a people who have always been accustomed to solid food and who are now getting, on the average, no more than two-thirds of the level on which we struggle along, while their poorest strata are desperately hungry.

I know that it all, or nearly all, including the world food shortage, flows from the war, and the war was made by the Nazis, and the ordinary Germans allowed themselves to be ruled by the Nazis for 12 years. True, but the future is much more important than the past, and I must ask you to accept it as a psychological fact that democracy and the other

ideas for which the Allies fought the war will never get a real chance in Germany until the German people are fed at a minimum standard, which only a small proportion of them are enjoying at the present time.

In other words, we shall not do anything big in education so long as economic success eludes us and up to the present none of our people on the ground would thank me for pretending that we have had the success on the economic front that we had hoped for.

But no one must conclude from the last statement that our administration in Germany or connected with Germany has anything to apologize for or be ashamed of, Take the case of coal as an example. Coal production before the war in the Ruhr exceeded 400,000 tons a day, and at the moment it is only slightly over 240,000 tons, but it should be remembered that at the end of the war it had fallen to 30,000 tons a day, and in view of the various food crises and other setbacks the upward progress, bringing a new maximum at the beginning of September, has been far from disheartening.

Nevertheless people said that we, the British, were not managing the Ruhr as well as we might, Recently the whole matter has been gone into most thoroughly in Washington and the report of the Anglo-American Committee confirms before the world what was already known to those on the inside. Our American friends now say frankly that Britain, so far from falling down, has done a first class job in the Ruhr.

THE SORT OF CRITICISM that used to be made about our administration in the Ruhr which has now been proved quite unfounded, is a mild example of some of the things that have been said, sometimes in English newspapers, about the work of our people in Germany. I regard the British press as the best in the world and many correspondents of British papers have taken immense trouble, frequently under difficult circumstances, to report what they have seen in Germany. But there is an old saying that there is

no club, however select, in which it is safe to leave your umbrella unguarded, and every profession has its black sheep.

Take this sort of thing for instance. Here is an article whose headline informs us that the men of the Control Commission are corrupt, lazy, and a discredit to British rule. The article itself pretends to discover a typical member of the commission whom it labels "spiv" and whose conduct, of course, is in keeping with the name the paper has awarded him.

What a despicable thing. To write an article calculated to bring contempt on public servants who are unable to reply.

There is not a word of truth in such a picture; indeed, it is the opposite of the truth. Nevertheless, its publication necessarily brings pain and discouragement to the men and women of the commission whose job is hard and difficult enough already.

I, therefore, consider it my duty to take first opportunity to say in public that my ministerial colleagues and I have the highest confidence in the ability and integrity of the commission and that we resent and deplore these unfair attacks on public servants serving their country faithfully abroad. I may add for myself that I have been much impressed by the seriousness and sense of mission among the many members of the Control Commission whom I have met and talked to during my visits to Germany in the course of the last four months.

YOU MUST NOT THINK, however, that I am going to fly to the other extreme, and say that everything we have done in our zone has been perfect and that everything that's gone wrong has been the fault of the Germans. No doubt, as I said earlier, we should not have had any of this business apart from the war, and no doubt collectively the German nation must bear the responsibility for that.

No doubt a great many of them have not worked as hard as they might have done, even making all allowances for food, during the last two and a half years. But then, what



HESSIAN EXPORT exhibition — Maj. Gen. George P. Hays, Deputy Military Governor, speaks at the opening of the recent exhibition at Wiesbaden. At his right is an interpreter. (DENA Bild)

country has? No doubt there is a lot of moral corruption, but there is a lot that is going on that is very fine as well.

They have got to do a great deal better in the year or two ahead, particularly in the matter of grain collections, if their standard of life is going to rise appreciably. I always say so when I am over there, and I repeat it here.

But we, the Allies, so long as we occupy Germany, bear a heavy responsibility as well; to provide the framework of food, of currency, and other incentives, of clear government and administrative arrangements within which it will be reasonable to expect a maximum effort from the Germans.

HEN I WAS SPEAKING to the students at Kiel, I said that the British task in Germany was a Christian crusade or it was nothing. I added that our role in Germany was that of a trustee, remembering always that every German is as much a human being with an immortal soul of infinite worth as we are ourselves. I repeat that now. And it is our bounden duty to translate this conception of trusteeship into effective administrative terms. But I would add that from the administrator's point of view the real curse is that you cannot tackle any of these problems - food, currency, the creation of a logical German administration - without becoming bogged down in diplomatic wrangles. And here it is only right to make my meaning plain beyond doubt.

The whole Potsdam conception of governing Germany on quadripartite lines has foundered hitherto on the reluctance of the Soviet Government to carry out the postulates on which it was based, and above all to honor its obligation to operate Germany as an economic unit. Their attitude in this matter, which to me is frankly inexplicable, has been a bitter disappointment to all of us on the British side and also, I believe, to our American and French friends who, although they may not have agreed with us at every single point, have

consistently striven to make things work.

Not only Germany, not only the British taxpayer, but the whole world has been paying a terrible price for the way in which the Potsdam plan has been put in danger. But the crucial November conference of the Council of Foreign Ministers is, as you all know, approaching, and the British Government has not held open the door, for two and a half weary years, in order to bang it at the eleventh hour.

WHEN I REMIND MY CHIEF, Mr. Bevin (British secretary of state for foreign affairs), that the dreams of diplomacy are the nightmares of the administrator, he points out that my responsibility, great though it is, is local and limited. As for himself, he says, in the words of John Wesley, 'the world is my parish,' and I doubt if he has ever mobilized greater energies than those he is summoning for November to prevent a definitive split of Germany and Europe and the world into East and West.

You may well ask me if fundamental agreement is not screened, if economic unity is not forthcoming, how far do we propose to go in western Germany and how fast? On that subject, I am afraid that I cannot add to your positive knowledge today, but I would offer you these three concluding observations.

First, we shall never accept as final, beyond repair, any breach, even if it comes, between East and West. But whatever happens in November we have no intention of letting ourselves be permanently hamstrung in our efforts to enable Germany to become self-supporting.

Secondly, we have no intention whatever of quitting Germany, in any future under discussion. We have a special duty to perform there to our own people, to the Germans, and to the world, and we are inflexibly resolved to perform it.

Thirdly, we mean every word that we say to the German people about offering them hope. The rest of Europe cannot prosper without them — they

cannot prosper without the rest of Europe. Somehow or other we must nurture a German patriotism which melts itself as never before in a European consciousness and as that comes to be achieved, even the nations who have suffered most at the hands of the Germans, will have the duty, and I hope the inclination, to welcome them back into the European family.

#### Statement on Sales

Concerning the ordered sale of coal distribution properties in the Stuttgart area, a statement issued by the Decartelization Branch, OMGUS, said:

"US Military Government wishes to make it clear that statements which have been made in the German press to the effect that these sales will be made primarily to American and other foreign capital, are entirely inaccurate.

"Bids for these properties are being solicited primarily from residents of the Stuttgart Stadtkreis, where they are located. Following US Military Government established policy, persons who have lost similar properties in Germany since the beginning of the war, or who will lose similar properties because of these sales and who have funds available in Germany with which to purchase, will also be allowed to bid.

"Sales will be made to the highest bidder among these two groups. It is not likely that any American or other foreign interests will be successful purchasers of any of these particular properties for the reason that American and other foreign ownership in such properties was very limited and those foreign interests which did have a very minor interest (111/2 percent American, eight percent Dutch and four percent Danish interest in the Stinnes Co. which in turn owns 100 percent of the stock in two of the Stuttgart coal properties) are not likely to have enough Reichsmarks available in Germany with which to purchase."

#### Refugee Doctors Arrive

Progress has been made in settling refugee doctors in the Laender of the US Zone. Bavaria reports that 1,986 new citizen doctors have arrived there.

## **FREEDOM**

US.

### TOTALITARIANISM

Two YEARS AGO the Allies came to Germany pledged to overthrow the Nazi system, and to develop liberty and democracy. In the Atlantic Charter we had bound ourselves to reestablish such fundamental rights as freedom from want and freedom from fear. We also pledged ourselves to guarantee the derivative rights of freedom of speech, freedom of religion, freedom of the press, and freedom of movement.

We were determined then to end, once and for all, the methods of Hitlerism by means of which people could be arbitrarily arrested, held indefinitely without trial, and thrown in concentration camps to suffer inhuman tortures. In guaranteeing these rights we promised the victims of fascist aggression a new doctrine of individual liberty.

Today, two and one-half years after the collapse of Nazism, we find that these fundamental human rights are again disputed—this time by communism. In this series of Thursday evening talks, US Military Government will explain the difference between democracy and communism, freedom and totalitarianism.

This evening I shall attempt to outline our basic concepts of freedom and democracy and contrast them with communist theory and totalitarian practice. In this and succeeding Thursday evening broadcasts we will attempt to show the inevitable results of a communist political practice whose methodology requires the suppression of the individual, and the systematic denial of the basic rights of free men.

#### By Dr. Edward Litchfield

A T THE OUTSET it is essential that one understands the fundamental distinction between democratic and totalitarian societies. In the former, the government, the institutions, and the multitude of informal ways of community living are all directed toward the satisfaction of the needs, desires, and aspirations of individual men and women. In a totalitarian

Freedom vs. Totalitarianism is the theme of a new series of weekly broadcasts being presented by Military Government to explain the American conception of democracy as opposed to such political ideology as communism. Speeches by prominent MG officials comprise this series, being presented every Thursday evening at 8:30 o'clock over the radio network of the US Zone. It was inaugurated on 13 November by Dr. Edward Litchfield, director of the Civil Administration Division. OMGUS. His text is reprinted here in full.

system those needs, desires, and aspirations are of little consequence, for the government, social institutions, and every aspect of community life are designed to serve the goals of an abstract state.

All of the basic principles of free men and of free societies flow from the emphasis which democracies place upon the individual man and woman. Most basic of these is freedom of speech. In our world men are free to express their opinions in their homes, in the market, and on the plat-

form. In a democratic society young men and women are not denied admittance to universities because of their independent political views. In a free world housewives do not disappear who raise their voices in protest against food rationing.

In a communist system the view of the individual man and woman is both theoretically and practially limited by the views of their government. Men and women, student and worker, who protest against prevailing ideas are subject to serious penalties. Communist practice leaves little freedom for the expression of the independent view of the individual man and woman.

B ASIC ALSO to democratic life is a free press. We would see in Germany a press which is permitted to express all political, all religious, all dynamic community life, is dependent in the modern world upon an untrammeled, uncensored popular press. Communist methodology requires the suppression of that part of the press which is opposed to the government's view.

Characteristic of a communist press is the uniformity of its opinions, the rigidity with which it follows the 'party line.' In some cases communism directly eliminates the opposition press. In other cases it prefers a systematic discrimination in the allotment of news print which has the practical result of throttling the views of those who oppose the communist regime. That part of the press which is encouraged, employs a standard technique of slanted news, suppression of criticism, and violent diatribes

(Continued on Page 14)

## time min mi GERMAN NEWSPAR

#### New Critical Attitude is Noted Concerning Occupation Problems

Editorials in the German press of the US Zone during the first week of November showed a new critical attitude toward the occupying powers. A new policy for German unification resulting from a recent conference in Duesseldorf, North Rhine-Westphalia, of journalists from the four zones; the Foreign Ministers Conference in London, and pessimism about overcoming zonal division of Germany furnished the basis for many editorial comments.

In the Donau-Kurier (Ingolstadt), Thomas Dehler, Free Democratic Party chairman, underlined the new critical attitude toward the Allies. The article "Between East and West" appealed to the principles of the Atlantic Charter, as follows:

"The political and spiritual boundaries which the occupying powers have drawn across Germany are producing a condition of latent disorder and insecurity . . . . As long as the powerful of this earth determine to whom the principles of the Atlantic Charter are to apply, confidence in peace and justice will not prevail ....

"We, therefore, welcome the declarations of General Clay of 28 and 29 October. He has stated that the Americans are firmly resolved to defend the principles in which they believe, which undoubtedly include those of the Atlantic Charter. He said that America is more than ever determined to support all nations that want to live in liberty ....

"We must point to the fact that in Germany, as well as in other countries, the will to live in liberty is awake, but that it can become a permanent urge of all people only if it is given the chance to become effective in political and economic affairs .... If in London the victors renounce the policy of regarding Germany as an object of their political quarrels and as a field of experimentation with political and economic ideas, the German people will be saved from going under in the chasm between east and west."

Der Allgaeuer (Kempten) took the stand that the new course of the American stand for democracy in Germany will carry conviction only if it is quickly followed by visible progress produced by American policies in Europe.

"The statements of Colonel Textor (Director of the Information Control Division, OMGUS) show us clearly that, as a result of the criminal policies of Hitler, Germany has sunk to the status of a bone of contention and now may become the battleground of a news war between eastern and western ideologies ....

"It is apparent that American press control seeks the aid of the German press. This is not an order, and as we know the Americans, will also not be enforced by 'gentler' means. We would like to leave no one in doubt that we intend to maintain the character of an independent German newspaper and would by all means avoid giving the impression that we are the tool of a foreign power ....

"Since the Red Army stands on the Elbe, Germany is nothing more than

#### Editor's Note

This section is devoted to authentic translations of editorials and reports in the German press. The publishing of these translations is intended to inform the readers among the occupational forces of what the Germans are writing and thinking, and not necessarily to give any concurrence to their views and opinions.

a geographic concept.... The idea of some German party leaders that Germany can become a bridge between the east and west is most dangerous. Only a unified Europe could serve this purpose .... Propaganda cannot be overcome by counter-propaganda alone. In politics truth must show visible success if it is to be effective... The most urgent question is whether the Marshall offer can save Europe and Germany before it is too late."

The Fuldaer Volkszeitung supported the unanimous endorsement of German unity by journalists assembled in Duesseldorf:

"If the newspapers would try to make American politics in one zone, British in the other, and and Russian in the third, they would not be understood by the readers. They would cease to be German newspapers. The creation of a West German republic probably cannot be prevented. Or to be precise, we will have to welcome it, because in comparison with our present condition, it will mean progress. But the greatest contribution of the German people will have been made when they have succeeded in convincing the Occupation Powers that the abolition of the last zonal boundaries, i. e. the creation of German unity, lies not only in the interest of the Germans, but of all of Europe."

The Stuttgarter Nachrichten declared that the flight of prominent statesmen from the east is an ugly symptom and that it will not be easy to win the friendship of the European peoples for "total insecurity." It added:

"(Parliamentary) immunity has never been an obstacle in the eastern 'liberated' countries. Whoever stands in the way of the pseudo-democrats of the Moscow School is arrested and killed in one way or another ... It is an outrageous truth that the little Soviet-controlled minorities in the east follow a bloody line of conduct which has no room for freedom . . . "

#### (Continued from Page 12) Freedom

against its opponents. These are the world-wide practices of a communist system in which the vitality of a free press is subordinated to the interests and needs of an all-powerful state

It is characteristic of democracies that their people are permitted to organize and maintain a variety of different types of community organizations. In our world these normally include fraternal orders, cultural societies, business associations, youth groups, womens organizations, sport clubs, and a variety of similar organizations. In their varied interests, programs, and ideals, these associations express the competition of thought and action which is characteristic of democratic living. the end that such competition may flourish, it is essential that these associations be free to organize, assemble, and to carry on their activities without interference or intimidation.

In a communist world all groups which threaten the dominance of the state, or challenge the monopolies of the dominant political machine, are systematically eliminated. Thus, there is normally one labor front, one youth organization, one women's association, and one group in each of the other primary fields of human association.

WE ALSO BELIEVE that in a democratic society all political power originates with the people and is subject to their direct and immediate control. We hold that the people should have the opportunity to exercise this control through honest elections held at frequent intervals and based upon universal, equal and direct suffrage by means of a secret ballot. We believe political parties should be voluntary associations of citizens, organized in a democratic manner, and that no political party should enjoy a privileged standing with relationship to the state, nor should any political party act as the agent of the state.

It is generally known that these conditions of political party life prevail in large measure in all parts of the democratic world. It is perhaps less well understood that communism, because of its inability to countenance competition, disagreement, and criticism, inevitably brings with it a one-party domination.

In the suppression of minority parties, communism employs standard techniques of political favoritism and persecution. We have come to recognize it as inevitable that in elections held in communist-dominated areas, news print, radio time, gasoline, automobiles, travel permits, licenses for meetings, and the use of public halls are denied to the opposition parties, or are extended only in a very limited manner.

In its effort to reduce all position, and to consolidate all political opinion into a single organization, minority parties under this communist system are frequently denied the right to nominate candidates, or the candidates when nominated are disapproved, arrested, or intimidated for alleged fascist activities. Thus, in a communist regime, the individual is deprived of the right of translating his views into community action by means of a political party of his own choice which is permitted to function in unrestricted competition with other political organizations.

T WAS AGAINST a background of Nazi-perpetrated terrorism that the Allies pledged a Germany in which men and women should be free from fear. It was against the possibility of a revival of such terrorism and fear that the American delegate to the Moscow Meeting of the Council of Foreign Ministers pleaded for a Germany in which men should be "free to express their own beliefs and convictions without fear that they may be snatched away from they homes and families."

In a democratic society men do not live in constant fear of the policeman who comes without warning, fear of long prison terms without trial, fear of systematic beatings without provocation, fear of government-sponsored kidnapings.

But there will always be fear in communities in which concentration

camps have been established in which political dissidents are interned without charge or trial. There will always be fear in a system in which the right to work is distorted into forced labor.

In the last analysis the principal protection of individual rights in a democratic society rests in the administration of justice. Democratic justice prohibits arbitary and unlawful arrests and imprisonment. It assures the accused of a public trial before an independent and impartial court. It guarantees him the opportunity to hear the charges against him, to be defended by counsel, and to call witnesses on his behalf. It has long since prohibited unwarranted searches and seizures, and sustains convictions only on the basis of law enacted by democratically elected legislative bodies.

In the interest of what it believes to be the necessary control of the individual in the interest of the state, communist practice requires centralized police systems which are removed from local control and public opinion. It invariably brings with it a secret and political police system. It makes prevalent the undercover agent, and that sinister concomitant of the police state, the informer. In its effort to reduce criticism of the state, it has in practice abandoned the safeguards of democratic justice for which free men have fought for centuries.

In other Thursday evening talks we will show that fear is a direct and inevitable result of any system which places so little premium upon the right of the individual. We will show that in a communist regime the rights and privileges of free men are constantly, thoroughly, and deliberately sacrificed in the interest of an all powerful government. Running through all of these discussions, will be the recurrent theme of democracy's desire to build a society in terms of the dignity of the individual human.

In those discussions we will underscore our view that the political unification of Germany must be accomplished in such a way as to forever eliminate the disregard of individual rights.

### Germans to Cover London Conference

The Council of Foreign Ministers Conference in London will be covered for the German press and radio in the US-occupied areas by Dr. Erik Reger, editor-in-chief of "Der Tagesspiegel" in Berlin and by Miss Helga Brockhoff of DENA. The US Military Governor authorized them to cover the conference and the British Foreign Office permitted their entry into London, Col. Gordon E. Textor, Director of the Information Control Division, OMGUS, announced.

This is the first time that German editors representing US-licensed media in Germany have gone abroad to report on an important event. "Decision to send these German editors to London is in keeping with Military Government policy to establish and foster a free German press," Colonel Textor said.

Dr. Reger, a widely-known author and editor, whose editorial comment in "Der Tagesspiegel" is frequently quoted, is not affiliated with any political party but classifies himself as "clearly democratic and Christian." Miss Brockhoff, who is 28, has been for more than two years the assistant foreign news editor of DENA, the USlicensed German news service at Bad Nauheim. Hesse.

Four German journalists are to cover the conference for the licensed press in the British Zone. They are: Dr. Frankenfeld, of the "Freie Presse," Hamburg; Fred Wesemann, "Hannoversche Presse," Hannover; Joseph Noe, "Rheinische Post," Duesseldorf; Fred Schleifstein, "Volksstimme," Cologne.

#### Statistical Health Forms

Two new forms wil be used to obtain uniform data concerning the nutrition of school children and to provide information from which the effect of the School Feeding Program can be evaluated.

The new forms will be used for the submission of data effective with the reporting period beginning 1 January 1948. They are "MG/PH/22/F (Report of Weights of School Children), and MG/PH/22/F (Feeder).

#### OFFICIAL INSTRUCTIONS

Table of Distribution No. 303-1430-A, Hq EUCOM, 20 October 1947. This T/D No. 303-1430-A, 7740 War Crimes Company supersedes T/D No. 303-1430 dated 1 September 1947.

Lesson Plans for Training Circular 5 Courses, AG 353 GOT, Hq EUCOM, 21 October 1947. Concerns revised copies for courses in "Military Courts and Boards" prescribed by Training Circular 5.

Pre-Trial Investigations, 333.5 (BCJA), OMGUS, 22 October 1947. Concerns information and guidance. Especially informative to an investigating officer.

Quota for Troop Information and Education Staff School, AG 352 GOT-AGO, Hq EUCOM, 24 October 1947. Gives substitutions for Section XXVIII, Weekly Directive No. 2, EUCOM, 22 August 1947.

Storage Methods and Practices, AG 400 GSP-AGO, Hq EUCOM, 27 October 1947.

Changes No. 4, Accounting for Lost, Damaged or Destroyed Property, Hq EUCOM, 27, October 1947.

Civil Schooling for Army Officers 1948-1949, AG 352 AGP-C-AGO, Hq EUCOM, 29 October 1947.

Band Replacement Training, AG 322 SSP-AGO, Hq EUCOM, 30 October 1947. Refers to personnel selected for attendance for the course with the 7701 EUCOM Band Training Unit, APO 403, Seckenheim, Germany.

Preliminary Examination in Military Law and Justice, AG 250.4 GOT-AGO, Hq EUCOM, 30 October 1947.

Ordnance Specialist Training — Military Personnel, AG 353 ORD-AGO, Hq EUCOM, 30 October 1947. Gives substitution for paragraph 7 i (1), Section I, Hq EUCOM, 10 July 1947.

Physical Inventory of Special Services Equipment and Supplies, AG 142.1

Copies of Official Instructions listed in the Weekly Information Bulletin may be obtained by writing directly to the originating headquarters.

SSP-AGO, Hq EUCOM, 30 October 1947.

Blank Forms, AG 315 AGL-AGO, Hq EUCOM, 30 October 1947. Cites list for the information and guidance of all concerned. EUCOM Blank Forms not contained in this list are absolete.

Circular No. 89, Hq EUCOM, 31 October 1947. Section I- Medical Care in the European Command; Section II-Special Service Libraries; Section III-Photographers' Sleeve Insignia and Identification Cards; Section IV-Foreign Military and Civilian Liaison Personnel and Section V- Occupation Expense Fiscal Policy.

Tables of Distribution, AG 320.3 GOT-AGO, Hq EUCOM, 31 October 1947. Cites method and manner of submitting recommended changes.

Turn-in of Ordnance and Engineer Class V Supplies, AG 475 ORD-AGO, Hq EUCOM, 3 November 1947.

Emergency Return of Military Personnel to Zone of Interior, AG 210.711 AGP-B-AGO, Hq EUCOM, 4 November 1947.

Report on Operation of Instructional Farms by Displaced Persons, MG/Food/73/F(1), Nov 1947, AG 319.1 (ED), OMGUS, 4 November 1947.

Public Health Statistical Forms MG/PH/22/F and MG/PH/22/F (Feeder), AG 721.6 (IA), OMGUS, 5 November 1947. (See separate item.)

European Command Equipment Modification Lists and Tables of Allowances, AG 400.34 GOT-AGO, Hq EUCOM, 6 November 1947. Documents previously published by EUCOM, and not included on this list are rescinded.

Establishment of Foreign Consular Offices, AG 334 SGS-AGO, Hq EUCOM, 6 November 1947. Cites instructions for establishment of foreign consular offices in the US Occupied Zones of Germany.

Resources Boards of the US Occupied Zone of Germany, AG 334 GSP-AGO, Hq EUCOM, 6 November 1947. Gives list covering the personnel serving on resources boards.

Advance Copy of Change 3 to Title 17, Property Control, AG 010.6 (FD),

OMGUS, 7 November 1947. Concerns "Decentralization of Accounting Functions."

Weekly Directive No. 13, Hq EUCOM, 7 November 1947, Contains following sections:

Sec I- Property Accountability, AG 140 GSP.

Sec II- Quotas for Recreation Areas, Garmish and Berchtesgaden, Refers to EUCOM letter, AG 354.1 SSP-AGO, 16 April 1947.

Sec III- Painting of Metal Beds, Wall Lockers, Foot Lockers and Stands, and Similar Items of Barracks Furniture, AG 414 GSP.

Sec IV- Statement of Holdings of Captured Enemy Documents, AG 312.1 GID. Concerns the Department of the Army directive request that all major commands compile and forward to EUCOM (Attention: Office of the Deputy Director of Intelligence) an accurate list of all captured enemy documents in their possession.

Sec V- Rating of Pilots of Army Ground Forces, AG 211 GOT.

Sec VI- Quotas for Literacy Training at Frankfurt, Munich and Nurnberg Army Education Centers, AG 353 TIE. Cites the quotas for each of the three schools for the second session beginning 8 December 1947.

Sec VII- Radiological Safety Engineers' Course, AG 352 GPA.

Sec VIII- Military Post and Sub-Post Strength and Quarters Report, AG 320.2 GPA. Gives substitutions for EUCOM letter, AG 320.2 GPA-AGO, 28 August 1947.

Sec IX- Sergeant Majors Course at Constabulary School, Sonthofen, AG 352 GOT.

Sec X- Quota for Courses of Instruction at 7712 European Command Intelligence School, AG 352 GID. Gives schedule of courses for the first quarter of 1948.

Sec XI- Monthly Teletype Traffic Speed of Service Report, AG311.2 SIG.

Sec XII- Return to ZI of Officers Prior to Expiration of Overseas Tour, AG 210.31 GPA. States that all orders will indicate reason for such return in every case. Sec XIII- Distribution of Troop I & E Bulletin to Special Services Libraries, AG 461 TIE.

Sec XIV- Overhead Safety Guard on Fork Lift Trucks, AG 451 GSP.

Sec XV- Disposition of Separation Report, AG 220.8 AGU. Refers to the delay in the forwarding of officer and enlisted separation reports (WD AGO Forms 53) to EUCOM.

Sec XVI- Allotment of Civilian CID Agents, AG 248 PMG.

Sec XVII- Enlistment in the Army Security Agency, Europe. Refers to EUCOM letter, AG 342.06 AGP-B, 11 June 1947.

Sec XVIII- Feeding of Employees of Indigenous EUCOM Exchange System Concessionaires. Gives substitution for paragraph 3, Section VIII, Weekly Directive No. 10, EUCOM, 17 October 1947.

Sec XIX- Transfer of Dental Registers, AG 313.3 AGO-R. Cites instruction for forwarding all such dental registers to EUCOM Inactive Records Depot, APO 757, US Army, not later than 1 December 1947.

Establishment of Area Petroleum Offices, General Orders No. 121, Hq EUCOM, 7 November 1947.

Change in Frequency of Semi-Monthly OMG Report from Semi-Monthly to Monthly, AG 014.1 (CO), OMGUS, 13 November 1947.

#### (Continued from Page 6)

#### **Economic Situation**

of manufacturing net value, seven percent of the industrial exports, and 12 percent of national income. The disproportionately large share of national income reflected Berlin's position as the financial center of Germany.

Before the war the city had a high concentration of manufacturing industry, accounting for almost half of the German total for electrical equipment, almost 40 percent of clothing output, and a substantial volume of machinery, and optical and precision instruments. Since the occupation a large portion of Berlin's industrial plant has been dismantled, including a large share of its electrical manufacturing facilities.

The city is, of course, entirely dependent upon outside sources for its food supply, fuel, and raw materials.

S IN OTHER industrial nations with adequate transportation and without internal trade barriers. different areas have over a period of years specialized in the production of particular products and types of products essential to the economy as a whole. Specialization of this sort arose naturally through a wide range of causes, including natural advantages of location, the development and geographical concentration of specific skills, management with "know-how." or through sheer accident. Agricultural production also displays this tendency toward specialization.

The economies of what are now the several zones of occupation were, therefore, and still remain, complementary and interdependent, and the flow of goods across what are now zonal borders was always heavy until the surrender.

The separation of the territories east of the Oder-Neisse and the division of the remainder of Germany into four zones of occupation and Berlin have greatly reduced this interregional exchange of food, raw materials, and manufactures. The economic merger of the British and US Zones at the beginning of 1947 has improved the situation for that area but still it remains dependent on the other zones for a wide range of products.

Specifically, the Combined Area requires seeds, food, feed, lumber products, cellumse, newsprint, potash, and optical glass from the Soviet Zone, and tobacco, refractory materials, lenses and shutters, sheet steel, ammonia, pharmaceuticals, and glue from the French Zone. In exchange the Bizonal Area can supply the other two zones with the products in which they are deficient, such as hard coal, iron and steel, machinery and spare parts, many chemicals, tires, tubes and rubber products, bearings, conveyor belting, cattle. Interzonal trade established by current agreements between the Combined Area and the French and Soviet Zones.