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RHENISH SHEEPHERDER



WEEKLY INFORMATION BULLETIN



MILITARY GOVERNMENT

OFFICIAL INSTRUCTIONS



WEEKLY INFORMATION BULLETIN

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

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

OFFICIAL INSTRUCTIONS

Assistance from US Sources to Civilian Agencies and Personnel	Circular No. 185 28 Dec 1946, USFET
Individual Travel in the European Theater	Circular No. 188 31 Dec 1946, USFET
Appendix A to "Extracts of Daily Bulletins"	AG 461 (AG) 10 Jan 1947, OMGUS
ACA Directive No. 40	AG 010.6 (IC) 13 Jan 1947, OMGUS
OMGUS Action on Laenderrat Requests	AG 014.1 (SG) 14 Jan 1947, OMGUS
Populations Statistics for Germany	AG 091.4 (CA) 15 Jan 1947, OMGUS
OMGUS Action on Laenderrat Requests	AG 014.1 (SG) 16 Jan 1947, OMGUS
Termination of Hostilities of World War II	AG 387 (LD) 17 Jan 1947, OMGUS

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Photo by Byers

RHENISH SHEEPHERDER — The picture on this week's cover shows a German shepherd with his flock in a rural community near Karlsruhe, Wuerttemberg-Baden. The 1947 agriculture plan which calls for a reduction in the number of sheep in the US Zone will cut his flock by 25 percent.

OUR CONTRIBUTORS

Richard G. Leonard, Senior Cartel Analyst for the Decartelization Branch, Economics Division, OMGUS, wrote **Decartelization: The Oil Industry**. The article describes the steps being taken to break up monopolistic organizations in the oil industry which were created under the Nazi regime.

Border Police was prepared by the Public Safety Branch, IA & C Division, OMGUS. It is an account of the organization of the border police force in the US Zone and its activity since taking over patrol duties from the US Army.

German Veterinary Laboratories was written by Lt. Col. F. A. Todd, Chief of Veterinary Affairs, Public Health Branch, IA & C Division, OMGUS. Before joining Military Government, Lt. Col. Todd served with the Veterinary Corps in Iceland.

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BORDER POLICE

When a country has borders across which criminals and smugglers begin to operate it establishes some plan of border protection. This was the situation — in more dramatic form — when the US began occupying its zone of Germany. War crimes suspects and all types of guilty persons were

fleeing; nazi war plunder, financial assets, stolen art treasures, and other valuables were being surreptitiously moved; black-market goods and merchandise stolen from the US Forces were changing hands from one zone to another. Under these conditions, the creation of a border police force was imperative.

Occupying troops first patrolled zonal borders. But as the armed forces were reduced it became necessary to train Germans as supplementary policemen — and eventually they are expected to assume complete re-

A soldier from the 2nd Constabulary Squadron and two German border policemen check the papers of a civilian who is about to cross the Austrian border at Griesen, Germany. Signal Corps Photo





The Deputy Commissioner for the District of Garmish (left) confers with the head of the German border police force that is guarding the Austrian border.

Signal Corps Photo

sponsibility for border control.

First use of Germans on this assignment was made in Bavaria in October 1945, where members of the newly-organized Rural Police forces and a few special guard units were watching the international border areas. These men were to be used during the interim period until a special border police organization could be established.

PRESENT ORGANIZATION FORMED

On 17 October 1945, General Eisenhower, then Military Governor, ordered the creation of a border police force, and the Germans immediately began to create the present organization. The border police units that previously existed in Germany had been absorbed by the Nazis into the Secret State Police (Gestapo) which has been declared illegal and disbanded, and its members either arrested as war criminal suspects or prohibited from employment by MG denazification directives. Therefore it was difficult to locate trained or experienced men to create or staff the organization.

Finally, in Bavaria, a former Bavarian police official who had been ousted by the Hitler regime because of his anti-nazi activities was found to head the new group. Over-

coming many difficulties in recruiting suitable leaders and men, in finding uniforms and equipment, and in providing transportation and communications facilities, the Bavarian Border Police — 1,200 strong — became operational on 15 February 1946.

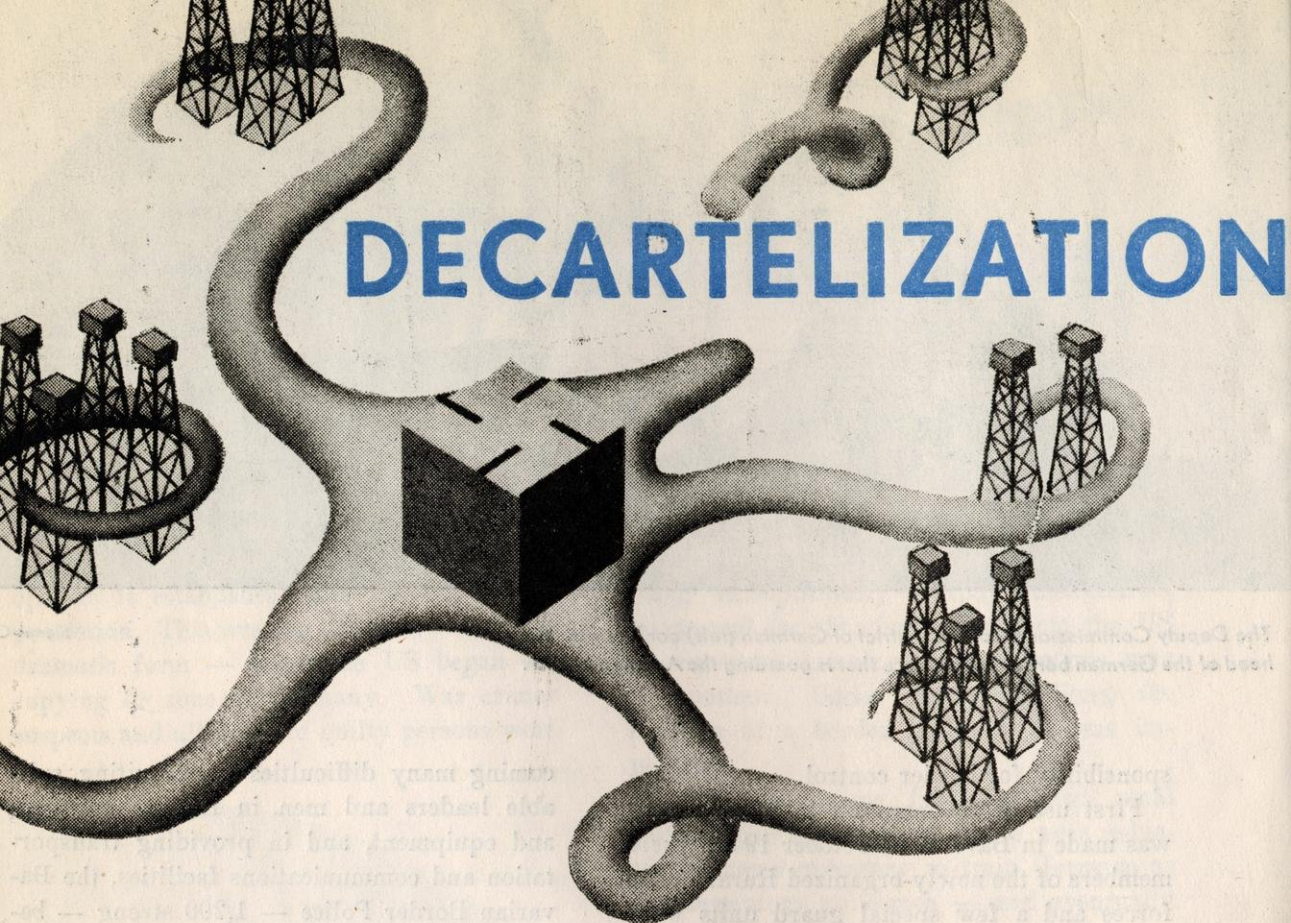
Simultaneously, in Land Greater Hesse, a similar organization under the supervision of a former German police official was established with 600 policemen.

In Land Wuerttemberg-Baden, which had a shorter zonal border to control and fewer serious problems of illegal border traffic, the responsibilities for policing were assigned to the Land Rural Police organization. That group was strengthened by adding about 450 men to perform the duties of border policemen, operating in much the same manner as those of the other two Laender.

US TROOPERS RELIEVED

On 1 March 1946, the border forces of the three Laender relieved the US Army troopers who had been performing all control duties around the perimeter of the US Zone. While the Army continued to maintain responsibility for security control of the border, the duties of actual patrol were assumed by the German police. The Army

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DECARTELIZATION

The Arbeitsgemeinschaft Schmierstoff Verteilung, GmbH (ASV), the wartime cartel which had monopolized the sale of lubricating oils and greases in Germany, was dissolved on 31 December 1946 in compliance with a British-American agreement on decartelization. In place of the arbitrary and restrictive controls which were exercised by the ASV over the important lubricants business, a new marketing scheme has been instituted with the aim of opening the trade to new dealers, eliminating the favored position of ASV member companies (particularly the larger members), and promoting competitive conditions, within the limitations of existing ration and price controls.

The new plan, which was drawn up by a committee of Germans under British-American supervision, calls for channeling all refined lubricants through a clearing house,

where all suppliers will receive oil stocks according to the ration coupons or purchase permits they turn in. This will aid in preventing any one refinery from gaining a monopolistic position: Jobbers and retailers will be free to buy from any supplier they choose and must sell to all who present ration coupons.

This cartel was only one of the several devices employed by the Nazis to gain control of the German oil industry. Before World War II, four companies, three foreign and one German owned, occupied the dominant position in German oil distribution. These companies were: Deutsche Amerikanische Petroleum Gesellschaft, a subsidiary of the Standard Oil Co. of N. J.; Rhenania-Ossag Mineraloelwerke, a subsidiary of the Shell Group of London; the Benzin-Benzol Verband, a syndicate controlled by coal and

THE OIL INDUSTRY

steel companies; and "OLEX" Deutsche Benzin und Petroleum Gesellschaft, a subsidiary of the Anglo-Iranian Oil Co. Perhaps partly because of this preponderance of foreign interests in oil distribution in Germany, the government organized a separate company to acquire, store, and distribute oil to the German Army and Air Force. This was the Wirtschaftliche Forschungsgesellschaft m. b. H., commonly known as WIFO. With the rapid expansion of the activities of the German Army, this company grew to be a truly gigantic organization and by 1943 had assets exceeding one billion RM, consisting principally of bombproof depots, pipe lines, and transport equipment. The activities of the company were directed by the Ministry of Economics, although as far as the public knew the company managed all of its business in its own name.

In addition to WIFO, the German government during the war sponsored an oil company, known as Kontinentale Oel A.G., which was organized to exploit the oil resources of the occupied countries and to engage in any and all related activities. Kontinentale was capitalized at RM 80,000,000 with 40 percent of the capital subscribed to by the purely German oil companies and the remaining 60 percent financed by German banking houses.

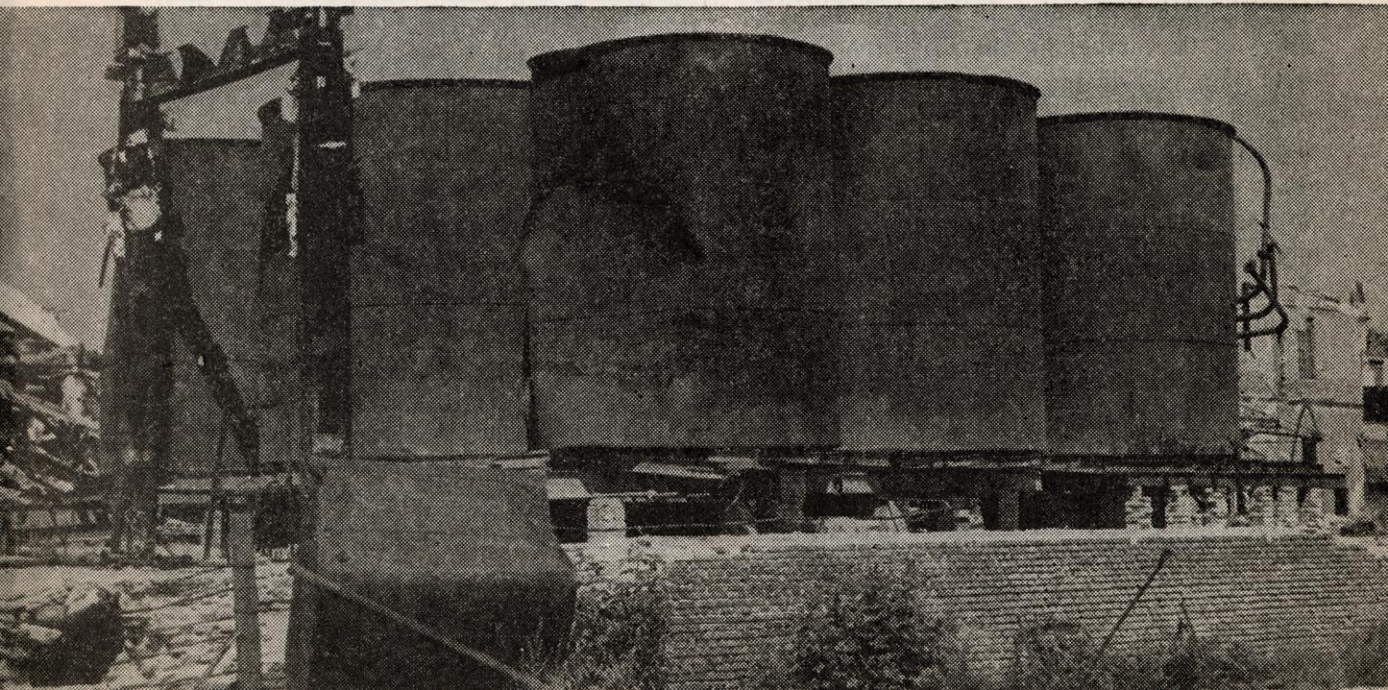
SUBSIDIARIES FORMED

To facilitate its announced program of exploitation, subsidiaries were formed by Kontinentale in the various occupied countries. These subsidiaries, by 1934, numbered 23. Kontinentale in its role of a holding company advised these subsidiaries on economic, legal, and tax matters and financed them. It also organized a central purchasing department for the purpose of buying and storing necessary material and supplies. The Reich established a Supervisory Board, which was headed by Walter Funk, former Reichsminister of Economics, to control the management of Kontinentale.

At the outbreak of the war, the German

Abandoned oil storage tanks at a refinery in Berlin which was blasted by Allied bombs.

Photo by Byers



government introduced still another program for controlling the oil industry. This was the compulsory creation, from among the various oil marketing companies operating in Germany, of trade associations or cartels to distribute the petroleum products required for civilian and industrial consumption. The announced purpose of these cartels was to conserve shipping, storage space, and personnel. Each association was decreed by law and membership was compulsory for those companies marketing the particular product.

ABSOLUTE CONTROL OBTAINED

All of these associations came under the jurisdiction of the Ministry of Economics, which, with WIFO and Kontinentale already under its sponsorship, thus obtained absolute control of oil distribution for every purpose throughout occupied Europe. As a matter of course the same personalities assumed the guidance of each of these organizations. The first of these cartels to be formed was the "Zentralebüro für Mineralöl" which took over the distribution of liquid motor fuels. By 1943, six additional associations had been formed to rationalize the distribution of the other primary petroleum products, such as lubricants, kerosene, naphthas, and asphalts. Each of these associations followed the same pattern, which was to requisition from the members whatever facilities and personnel were considered necessary and then to distribute the sales proceeds among the participating companies, in relation to the share of the market for the particular products each held during the last six months of 1938 and the first six months of 1939.

Besides cartelizing distribution, the Ministry of Armaments and War Production, through the Ministry of Economics, took similar steps upon the outbreak of the war to consolidate crude oil production and refining and synthetic oil production. This was done through the establishment of an association or cartel of refiners known as Arbeitsgemeinschaft Erdoel-Gewinnung und Verteilung (AEV), membership in which was also compulsory. This association set up refinery programs and allocated crude pro-

duction; similar machinery regulated synthetic production.

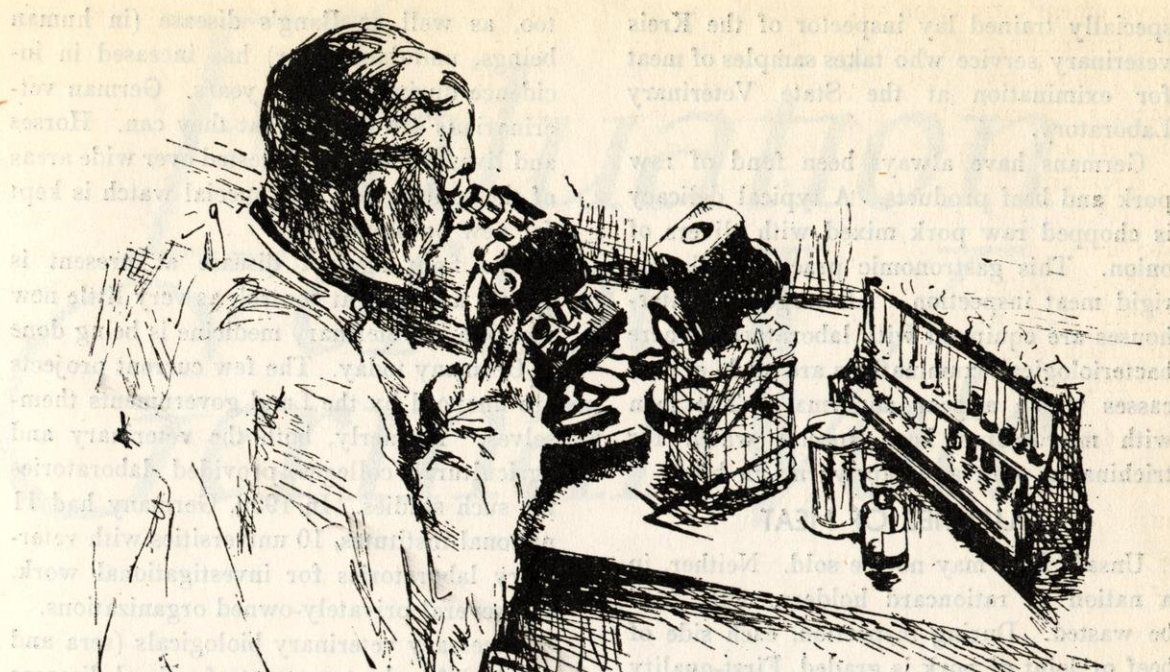
Until the Nazis seized power in Germany, the oil industry was not of primary importance either in point of employment of labor or in the production of vital raw materials. German crude oil production was limited and never met more than about one-tenth of the country's oil requirements, which in 1933 amounted to some 3½ million metric tons; the remainder had to be imported, and of these imports only one-quarter needed further processing.

The rapid rearmament program and the parallel program of self-sufficiency on which the Nazis immediately embarked required constantly greater supplies of petroleum to satisfy the rapidly increasing industrial tempo and the mechanization of the armed forces. Within five years the consumption of petroleum products had doubled. This increase intensified the problem of remedying Germany's dependence on imports. Two solutions were attempted. One immediate means of increasing home production was to encourage the production of German crude oil, and to this end in 1933 drilling subsidies were paid to producing companies. The production of German crude oil increased nearly 300 percent from 1933 to 1941, but it still could provide only a small part of requirements. A second means was to promote the use of substitute fuels derived from sources other than petroleum. These included alcohol, benzol, producer gas, and bottled gases. This led to the development of the synthetic oil industry.

SYNTHETIC OIL PRODUCTION

In 1933, the production of oil synthetically from coal was already in commercial exploitation at Leuna under the auspices of I.G. Farbenindustrie A.G., and a second process sponsored by an association of Ruhr coal mine owners through Ruhrchemie A.G. was reaching the stage at which production on a commercial scale might be expected in the near future. An immense amount of industrial and scientific effort was devoted to the development and perfection of these

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GERMAN VETERINARY LABORATORIES

Doctors working to maintain public health in postwar Germany have allies in another branch of the medical profession: the veterinarians. These experts in animal health are finding their daily job connected more closely than ever with human welfare.

The German veterinary service, short of experienced men, short of tools, is carrying on toward two main objectives: to prevent loss of livestock, needed critically on every farm; and to protect consumers of meat and dairy foods—which means almost the entire population of war-weakened Germany.

Simply doing day-to-day work — routine examination of animals and food inspections — would keep today's veterinarians busy. But in addition their job is complicated by an ominous development: several animal diseases which were absent from Germany for years have begun to reappear.

The problem is one that would have taxed

the facilities of even the much more prosperous prewar veterinary network. In those days, the German veterinary administration was based on the staffs at the upper four levels of government—national (Reich), state (Land), district (Regierungsbezirk), and county (Kreis).

But bombs fell, and so did the Nazi hierarchy. Of all the veterinary laboratories in the US Zone, only one escaped major war damage. Secondly, some of the best technicians either were killed or were such devoted followers of Hitler that they were useless to the new democratic regime. After Germany's defeat, however, the need for maintaining at least a basic veterinary service was obvious. So laboratories received emergency repairs, and new men received emergency training. In smaller processing houses or in villages where a licensed butcher does his own slaughtering, the meat is inspected by a

specially trained lay inspector of the Kreis veterinary service who takes samples of meat for examination at the State Veterinary Laboratory.

Germans have always been fond of raw pork and beef products. A typical delicacy is chopped raw pork mixed with slivers of onion. This gastronomic practice calls for rigid meat inspection. All large slaughterhouses are equipped with laboratories where bacteriological examinations are made of carcasses which appear abnormal. The men with microscopes keep special watch for trichina in pork and tapeworms in beef.

QUALITIES OF MEAT

Unsafe food may not be sold. Neither, in a nation of rationcard holders, must food be wasted. During inspection, each side of beef or joint of pork is graded. First-quality meat is sold on the regular market. Inferior grades are placed on the "Freibank," and are sold to the public with the warning that they must be thoroughly cooked. Most of this lower-grade meat is a regular item on German tables today, because it requires fewer ration points and is less expensive.

Scarcity has forced Germans to turn more to special sources of food — much as American homemakers during the war scanned recipe books to learn how to prepare venison and rabbit. In Germany, the law requiring meat inspection covers all wild life destined to become steaks — including dogs, wild boars, bears, foxes, badgers, "and other carnivorous animals."

SEVERAL DISEASES REAPPEARING

Mere existence of a law, unfortunately, does not kill bacteria. Veterinary officials are concerned by the reappearance of several diseases which Germany has not known for years. Glanders (appearing in human beings as ulcers of the skin, pulmonary inflammation, and intestinal infection) and dourine (a syphilis-like disease in horses) have been reported here and there throughout the country. These diseases, experts say, were introduced towards the end of the war and in the immediate post-war period. Tuberculosis,

too, as well as Bang's disease (in human beings, undulant fever) has increased in incidence during the war years. German veterinarians are doing what they can. Horses and livestock are being tested over wide areas of the countryside, and special watch is kept for new outbreaks.

The fight against disease at present is mostly an effort at control, as very little new research in veterinary medicine is being done in Germany today. The few current projects are financed by the Land governments themselves. Formerly, both the veterinary and agricultural colleges provided laboratories for such studies. In 1939, Germany had 11 national institutes, 10 universities with veterinary laboratories for investigational work, and several privately-owned organizations.

Necessary veterinary biologicals (sera and vaccine) for the treatment of animal diseases in Germany usually were produced by several large private institutes including I. G. Farben. Their materials were distributed to practitioners by means of widely-spread, conveniently-located supply establishments. Several veterinary colleges and state veterinary laboratories sold limited quantities of biologicals, the proceeds paying some of their administrative expenses.

AID BY MG VETERINARIANS

Counterbalancing somewhat the temporary decline of German research, Military Government veterinary officers have helped as much as they were able. They introduced into Germany a potent aid in the control of hog cholera — crystal violet vaccine. This product now is being prepared in Bavaria as is an effective vaccine for control of fowl plague (Huehnerpest), prevalent in southeastern Bavaria. The latter remedy is manufactured by growing the virus on chick embryo.

Detection and prevention of disease are a joint service of Germany's veterinary laboratories. Four types of veterinary laboratories each carry out a part of the disease control program: research, biological production, slaughterhouse, and state laboratories. The central agency helps make up for scarcity of trained personnel. The responsibility

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Evaluation of the German Vote

by Hans A. Kallmann

Many attempts have been made to compare the most recent election figures in Germany with those of the pre-Hitler years. However, statisticians have pointed out that such comparisons can be dangerous and misleading; and that, at best, a correct analysis shows a very complicated picture.

The most important fact is that in Germany absolute election figures of different years are not truly comparable. The make-up of the population has changed to a great extent. The former natural population increase has now been reversed by the war through millions of deaths and millions of prisoners of war who have not been returned to their homes. Germany's population as a whole has been cut by the loss of the regions east of the Oder; yet the parts of Germany that are left may show an increase in population through the influx of expellees and refugees. These factors, however, can be partly eliminated by comparing percentages.

The problem becomes more complicated if certain sections of the country, such as districts, Laender, or even cities, are compared with previous years. Berlin is such a case. The present electoral region of Greater Berlin belonged to three different voting districts in the former Reichstag and Land-

tag elections — Berlin, Potsdam I, and Potsdam II. There were, of course, municipal elections for the whole of Greater Berlin, but in comparison to the recent elections such community elections aroused relatively little interest and showed a more limited participation of voters. They should, therefore, not be taken as a basis of comparison. Similar problems apply to regions like Wuerttemberg and Baden, which are not voting districts any longer, but are divided between two occupational zones.

STRUCTURAL DEVELOPMENTS

Changes in population are not only changes in size but also changes in structure. This fact in itself is nothing new or special. There are structural developments in populations everywhere. The industrial population in a certain section may grow and with it the labor vote may increase. But such changes are normally gradual ones. Within the short periods between elections they are too small in degree to make a direct comparison between the election results of different years a special problem. In the Germany of today, changes of this type have been so rapid and so large that a comparison would be misleading unless accompanied by a special analysis. For instance, regardless of the fact that the

number of voters in Berlin has dropped by about a million since 1933, on the basis of previous elections the Socialist and non-Socialist parties must have been expected, numerically, to poll about an equal number of votes. If, however, the assumption was made that this one million drop had been at the cost of the non-Socialist parties (because a great number of well-to-do people and officials left Berlin during the war and before the Soviet conquest) then the Berlin elections might have been expected to return a leftist majority of between 65 and 70 percent.

INCREASE OF WOMEN VOTERS

Another change, much more important than the example mentioned above, is the relative increase of female voters and the decrease of male voters caused by war losses and, for the time being, by the retention of POW's. In pre-Hitler years tests showed that comparatively more women than men favored the moderate parties, and that more men followed the extremists of both wings, the Communist and the Nazis. It is also known that the influence of the churches tends to be more wide spread among women than among men. Must we conclude from this that at the present time the moderate parties of the center, and a party with church connections like the CDU, have a better chance than under the Weimar Republic?

The answer is not easy. The reason for the more moderate attitude of women voters in former times could be found in their more "conservative" tendencies, "conservative" meaning an opposition to radical change. One would have to find out what "conservative tendencies" mean today. It may mean something different: for example, the "conservation" of certain characteristics of the long years under Hitler, such as nationalism. It is also likely that women and men have not quite the same attitude towards the various Occupation Powers.

There will be other structural changes still to come which will greatly influence the attitude of German voters. Nothing more than indications can be given here, and all

of them fall under the category of economic changes. There will be fewer rich people and many more poor people than before; fewer skilled workers and probably fewer professional workers, but more unskilled or semi-skilled labor, if the present restrictions on German industry are going to stay. Will that mean an inevitable increase in the socialist vote? What will become of the vote of the middle classes which once before revolted against their increasing impoverishment, and thus paved the way for the Nazis to gain power?

If the number of votes now gained by any particular party is compared with the number of votes polled more than a decade ago, one most important difference has to be borne in mind: prior to 1933 complete freedom of voting existed, in the sense that, if many voters were not satisfied by one of the old parties, they could found a new one. Today, such a tendency in practice hardly exists. If we do not consider the minor groups, the voters have the choice of four main parties: LDP (with DVP and FDP); CDU (and CSU); SPD; and KPD or SED. In the Soviet Zone, there is only a choice of three, because the SPD is not recognized there.

TEMPORARY EXPEDIENT

In Berlin the SPD vote has increased from its highest level of approximately 33 percent in 1928 to approximately 49 percent at the present time. Normally, that would mean that the percentage of "Social-Democrats" was that much larger. But that is probably not the case now. It is obvious that a great number of people in Berlin voted SPD to express their opposition to Communism. In other words, a great but undetermined number of persons voted SPD as a temporary expedient, without any intention of remaining in the party or becoming Socialists. In this example, we can roughly analyze what has happened and are, therefore, not too much misled by the election returns.

But what of the Soviet Zone? No SPD is authorized there, and all the other parties are certain to have drawn voters who would otherwise have cast their ballots for SPD.

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Progress of Self-Government

Deputy Military Governor Reviews Record of Past Year, Lists Future Responsibilities of Elected German Officials in Laenderrat Speech

The future responsibilities of the democratically elected German state officials in the US Zone and their relationship with Military Government were outlined by Lt. Gen. Lucius D. Clay, Deputy Military Governor, in his address to the Laenderrat at Stuttgart on 8 January. In his address he said:

In the United States it is our custom at the beginning of a New Year to look back at the work of the past year so that we may profit from our experience to establish an even higher goal for the year ahead. I am sure that the Laenderrat, in looking back over the past year, may take satisfaction in many accomplishments. However, I am equally sure that the year ahead offers the opportunity for even greater accomplishment in the progress of self-government and in improving the German economy.

This meeting, the first of the New Year, is another landmark in the progress of German government under democratic procedures. The return of government responsibility to the German people was started at the village, in the local elections held throughout the US Zone in January 1946. Systematically since then city, county, and state elections have been held. Today, the first meeting of the New Year, is also the first meeting in which the Laenderrat is composed of representatives selected by the elected Parliaments of the three states of the American Zone.

I would be remiss at this time if I did not express my appreciation of the work which has been accomplished during the past year under the three Ministers-President appointed by Military Government. Manifestly, they have had to cooperate with Military Governments. However, they have been steadfast to what they considered the best interests of the German people and have presented their views with courage and with obvious

sincerity. Their work has contributed much to progress during the past difficult year.

However, Military Government welcomes the Laenderrat as it is now formed of representatives selected by the German people. It recognizes the responsibility which each Minister-President has to his state Parliament. This responsibility may necessitate some changes in the procedural functioning of the Laenderrat although not in the general purpose for which it was established.

Military Government, in approving the constitutions adopted by the three states in its zone, stated that it would not interfere with the state governments established under these constitutions as long as they are conducted to accord with our basic objectives. At the same time, Military Government pointed out the necessity for it to continue its responsibility for national legislation until some type and form of German national government comes into existence.

The rights of the states are clearly defined in the state constitutions. However, although these constitutions provide for the requisite ceding of state power to a national or federal government, the exact powers which will be so ceded have not and cannot be formulated until a constitutional convention or congress has developed the final form of national government.

The Potsdam Protocol did provide for the establishment of central administrative agencies for communications, transportation, finance, industry, trade and commerce; and subsequently, American Military Government has announced its support of a central administrative agency for food and agriculture.

While these agencies have not yet materialized for Germany as a whole, they have been established in the American and British Zones as a result of their economic fusion.

Each of the states in the American Zone is

represented by a responsible state official on the established bizonal agencies, and each, therefore, has an appropriate voice in the determination of over-all policy. Obviously, in these fields, it will no longer be necessary for the Laenderrat to exercise direct responsibility, although Military Government favors a continuing interchange of views in the Laenderrat. However, when the bizonal agencies have reached agreement, it is expected that these agreements will be executed in good faith in all of the states and each Minister-President is granted the authority of Military Government and will have the responsibility for such execution.

EXECUTION OF BIZONAL POLICIES

Military Government will not permit the bizonal agencies to assume state responsibilities and will insist that the responsibility for the execution of bizonal policies remains with state government. Military Government decrees will be utilized only in the last instance when and if a minority of the states proves unwilling to execute bizonal policy as determined by the bizonal agencies.

However, it is clear that there will be other matters in which uniformity is desirable throughout Germany if possible, and throughout the US Zone of occupation in any event. I refer to such matters as restitution, social insurance, financial reform, decartelization, and similar measures, which can be successful only if applied uniformly. It will continue to be the policy of Military Government to consult with the Laenderrat to the fullest extent possible in the preparation of quadripartite legislation. When such legislation is enacted, it must be issued by Military Government decree or ordinance for application in each of the states. When possible, supplementing regulations will be left to state administrations.

If uniform legislation which cannot be obtained by quadripartite agreement is required for measures in the US Zone of occupation, Military Government will continue to ask the Laenderrat to prepare such legislation for the approval of Military Government. Legislation of this type may be issued

in each state by the Minister-President through the exercise of powers specifically granted by Military Government, or, if the Laenderrat prefers, in specific cases as ordinances of Military Government.

I wish that I could give you a clear-cut formula which would distinguish between the character of legislation to be enacted by the Laenderrat and the character of legislation to be enacted by the state Parliaments. Unfortunately, such a formula cannot be clearly defined now and will prove difficult to develop in practice in the absence of a national constitution.

However, I assure you that it is our policy to maintain a high degree of local responsibility and to hold national legislation to the essential minimum. Therefore, we shall avoid uniform legislation unless it is clear that uniformity is essential to successful application. Each law presented to the Laenderrat for consideration or proposed by the Laenderrat will be examined with this in mind.

POSITION OF STATE LEGISLATION

It is equally clear, that state legislation must not extend into the field of nor conflict with national legislation. Hence it is equally important that state legislation be confined to state matters, and state legislation must be examined prior to its formal approval by Military Government to make sure that it does not conflict with quadripartite measures either enacted or under consideration, or with uniform measures adopted in the American Zone. Likewise, we shall expect the Laenderrat to examine such matters to place your views before Military Government with respect to possible impingement of state legislation upon national legislation, and with respect to national or zonal legislation encroaching upon state legislation.

It would also seem to me that as Minister-President of the state which you represent, you may frequently desire to interchange views with other Ministers-President in the Laenderrat in the interests of close coordination. This is your privilege. However, what you do in this field is your own responsibility and will not require consideration or ap-

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Denazification Law Amended

Regulations, further limiting the "ordinary labor" to which "major offenders" and "offenders" will be restricted for certain periods of time after conviction under the Law for Liberation from National Socialism and Militarism, have been adopted by the Denazification Committee of the Laenderrat with the approval of OMGUS.

The new regulations, amending Article 63 of the Denazification Law, would preclude "major offenders" and "offenders" from any employment that would give them "any authority over the public"; would bar them from any job contributing to "the molding of public opinion", and would specifically prevent them from practicing in "one of the free professions, as a professional engineer, or in the educational profession."

Under the law "major offenders" are restricted to "ordinary labor" for a period of not less than 10 years. "Offenders" are so limited for a period of not less than five years.

Article 63 of the law states: "An occupation shall be considered ordinary labor according to this law insofar as skilled or unskilled work or an employment of subordinate importance is concerned. The person concerned shall not be employed in a supervising, leading or organizing position or take part in hiring and firing personnel, or any other personnel policy."

The new regulation adopted by the Laenderrat Committee; signed by the Ministers for Political Liberation of Bavaria, Hesse, and Wuerttemberg-Baden, and approved by the OMGUS Denazification Legal Officer, states:

1. In addition to the standards set forth in Article 63 of the Law for Liberation from National Socialism and Militarism with respect to the meaning of the term "ordinary labor," an employment or activity shall not be considered to be "ordinary labor:"

If the nature of the employment or the type of activity engaged in confers any authority over the public;

If the employment or activity engaged in is of a nature to permit the exercise of any influence by the employee with respect to information (press, radio, etc.) or the moulding of public opinion;

If the employment or activity engaged in is in one of the free professions, as a professional engineer, or the educational profession.

2. In cases of doubt as to whether an employment or activity is to be considered as ordinary labor, the respective ministry in cooperation with the Ministry of Political Liberation shall decide in cases involving public employment. In all other cases, the decision shall rest with the Landesarbeitsamt (State Labor Office). The decision of the Landesarbeitsamt is subject to review by the Ministry of Political Liberation. In cases of zonal agencies, the highest zonal agency shall decide in cooperation with the Denazification Committee of the Laenderrat.

Interzonal Trade Agreement

A new trade agreement, involving such critically important raw materials as steel, chemicals, brown coal briquettes, and foodstuffs, was reached on January 17 by German economic officials representing the German Bizonal Executive Committee of the US-British Zones and the German Department of Trade and Interzonal Traffic of the Soviet Zone. Under the terms of the resolutions adopted at the meeting the US-British organization and the Soviet organization will each furnish materials worth 210 million Reichsmarks for trade with the other.

Trade during the first quarter of 1947 will total approximately 15 million RM on each side and 90 million RM during the last three quarters of the year. In the first quarter of this year the US-British Zones will deliver iron and steel, rolling mill products, tubes and tires, rubber conveyor belts,

and a substitute for parchment paper; additional items to be delivered in the second, third, and fourth quarters of 1947 include pig iron, hops, motors, livestock, dyes, pharmaceuticals, and chemicals.

The Soviet Zone, in the first quarter of the year, will export wheat, rye, oats, brown coal briquettes, pit props, chemical pulp, newsprint, cord for tires, technical paper, and buna; and in the last nine months of 1947, in addition to most of these, seeds, buna, agents for sizing yarn, cement and window glass, sugar, potatoes, spare machine parts, and chemicals.

Supplies for Youth Program

The German youth program will continue in the US Zone with the bulk of its supplies coming from captured enemy stocks and current German production. Army excess materials, which have formed much of the supplies for the program since its inception, are now in very low stock and will be assigned on a priority basis, with most of the supplies going to the programs designed for DP youth.

Although some difficulty may be anticipated in inducing German government officials to recognize the full value of youth activities and the need for adequate economic support, there is no reason why the program should not continue its progress in the reeducation and democratization of German youth, in the opinion of OMGUS education officials. MG will continue to give assistance and exercise supervision until it is convinced that the program is operating in a fully self-sufficient and satisfactory manner.

Education and Religious Affairs Branch, OMGUS, plans to request the War Department to call a conference in Washington of the principal American youth-serving organizations to draw plans for a new program which would call for voluntary cooperation with CRALOG (Council of Relief Agencies Licensed to Operate in Germany) in rendering material assistance to German youth groups. A sub-committee

of the German Control Committee would be set up to allocate and distribute such material aid to the most needy groups.

MG Denazification Policy

Public Safety Branch, Internal Affairs and Communications Division, OMGUS, issued the following statement to clarify MG denazification policy as concerns the release of German prisoners and internees:

All Germans released from US prisoner of war camps and civilian internment enclosures are subject to investigation and trial under the Law for Liberation from National Socialism and Militarism. Members of the SA and high governmental officials now in a civilian internment status and members of the former German General Staff Corps and Reichskabinett will be transferred to German custody but will not be released by German officials until they have been tried by denazification tribunals.

It has never been, nor is it now, the policy of Military Government to shield from denazification proceedings those persons who, according to this law, are liable to such proceedings. The law calls upon the German people to exclude from influence in public, economic, and cultural life all those who actively supported the National Socialist tyranny or are found guilty of having violated the principles of justice and humanity, or of having selfishly exploited the conditions created by this tyranny. It is the policy of Military Government to assist the German people in every possible way in the fulfillment of this duty, and at the same time to maintain the degree of supervision considered necessary and expedient to the overall aims of the occupation.

Trial of a person by Military Government or German courts on charges of war crimes or other crimes does not, under the Law for Liberation from National Socialism and Militarism, preclude the liability of the German people to try that person under denazification proceedings.

Military Government does not intend to deviate from this policy.

US ZONE MG ACTIVITIES

In response to a request from the Swiss Postal Administration, the ACA has authorized the inauguration of one-way airmail service from Switzerland to Germany. This service will include all types of mail presently authorized in the international mails. Actual implementation of flights is dependent on transportation arrangements to be made by the Swiss Government.

A delegation representing the Joint Export-Import Agency ((US-UK) as well as the Economic, Commerce, Political, Finance, Food and Agriculture, and Transport Divisions and Branches of OMGUS and the Control Commission for Germany (British Element), are currently engaged in trade discussions with the Netherlands Government at the Hague.

The Laenderrat Directorate has approved regulations according to which expellee status will expire when an expellee has found permanent residence and employment and has reached a standard of living comparable to that of the native population.

DENAZIFICATION PROCEEDINGS

As of 1 December, the Denazification Tribunals in Bavaria had handled cases of 2,522 doctors, 2,340 elementary school teachers, and 1,501 teachers in high schools and universities. Cases were pending against 15,765 elementary school teachers and 3,621 teachers of high schools and universities.

For the two-week period ending 15 January, the crime rate rose in Hesse and Bavaria and generally decreased in Wuerttemberg-Baden.

During the first eleven days of January, 133,400 metric tons of food for German civilians arrived from the United States.

About 12,000 bottles of Schnapps are being released monthly for coal miners under the US Zone's incentive program, in quantities ranging from one-quarter liter per month for moderately heavy workers to three-quarters liter (one bottle) for very

heavy workers. 375,000 bottles of wine and 175,000 bottles of champagne, all below export quality, were released for civilian consumption in the US Zone and for inter-zonal trade during January.

The release of 2,000 tons of imported dehydrated potatoes to Wuerttemberg-Baden has been authorized to meet the deficit in the potato ration for the 97th and subsequent ration periods. Approximately 4,000 tons of fresh potatoes from Army stocks are being transferred to German authorities in the US Zone to replace potatoes previously furnished to the occupation forces from the German economy.

USFET RELEASES TIRES

An additional 80,000 tires have been released by USFET to the German transport economy.

During the first two weeks of January, navigation on the Danube river was completely suspended because of ice and low water, and the Rhine river was at its lowest point in 25 years.

The German Reichsbahn has been allocated 153,000 cubic meters of coniferous and 28,000 cubic meters of hardwood lumber, its first definite allocation. Allocation of 28,000 cubic meters of lumber was also made to the Fishery Control Board for barrels, repair of fishing vessels, and related purposes.

CHEMICAL PRODUCTION HIT

Lack of power and sub-zero temperatures hit chemical operations hard in the two weeks ending 11 January. Cyanamid production was practically at a standstill. As compared with December, the output of acetic acid and solvents was down more than 80 percent; there were also sizable declines in insecticides (53 percent) and dye intermediates (57 percent). Plants producing tires, tubes, and general rubber goods were slowly returning to production, following their forced shutdown over the holidays.

EXCERPTS FROM OFFICIAL INSTRUCTIONS

Pertinent excerpts from official instructions are printed for the benefit of our readers. Official copies of the quoted circulars, letters, and directives may be obtained by writing to the originating headquarters.

New Leave Policy

OMGUS Letter AG 210.711 (PO), entitled "New War Department Leave Policy," dated 13 January 1947, calls attention to USFET Letter of 14 December 1946 on the same subject. The OMGUS letter states in part:

"It is desired to stress par 1, sec II, thereof, which states that it is the *right* of members of the Armed Forces to take leaves, rather than a privilege as heretofore. All concerned are advised that immediate steps should be taken to determine in each division, branch, etc., whether individuals assigned to those offices (both military and civilian) desire to take leave prior to 30 June 1947 and to schedule such leaves, if necessary, so that the limitation of 10 percent of the personnel on leave at one time will not operate to deny leave to any individual and probably cause a loss of leave time to him."

Historical Program

MG's part in the preparation of a history of the US Army Forces of Occupation for the War Department is clarified in USFET Directive "Historical Program of the US Forces, European Theater," AG 314.7 HIS-AGO, dated 31 December 1946. The part of the directive pertaining to MG states:

"The Office of Military Government for Germany (US) and the US Allied Council in Austria and all offices, divisions and other agencies integral or subordinate to them, are not required to submit Reports of Operations. Nothing in this letter will be interpreted as modifying in any way the current requirements for reporting in Military Government channels, except as stated in this paragraph.

"The War Department has directed that

the History of the Occupation will include a history of Military Government under the US Army in Germany. The history of Military Government in Germany will be prepared by the Office of Military Government for Germany (US). This history will be supported by a series of studies of Military Government in Austria prepared by the Historical Division, this headquarters, based on material provided by the US Allied Council in Austria. Two copies of each history of Military Government in Germany (US) will be submitted through command channels, to the Chief, Historical Division, this headquarters."

ACA Directive No. 40

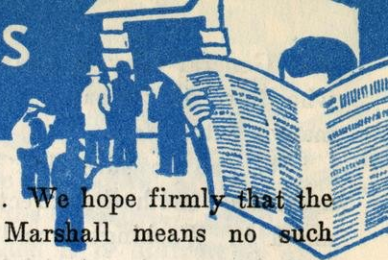
A clarification of MG policy in interpreting ACA Directive No. 40, concerning the policy to be followed by German politicians and the German press, is contained in OMGUS Letter AG 010.6 (IC) dated 13 January 1947, which changes OMGUS Letter AG 000.7 (IC) dated 24 October 1946. The new interpretation states in part:

"Reports of violations (of ACA Directive No. 40) will be channelled through Information Control in cases involving German information services and Civil Administration Division in cases involving members of German political parties. Prosecutions envisaged under this paragraph will be undertaken only after consultation with (OMGUS).

"Prosecution by a Military Government Court will be requested only if other sanctions (reprimand, suspension, prohibition of activity, etc.) are considered inadequate."

German Dependents

Answers to some of the problems expected to arise as the result of marriage between Germans and Americans in the European Theater are presented in USFET Directive AG 014.2, entitled "Policies with Respect to German Dependents," dated 6 January 1947.



Licensed Press Views Byrnes' Resignation with Apprehension

The resignation of James F. Byrnes as US Secretary of State because of poor health was described as a surprise and viewed with apprehension by many of the licensed German newspapers in the US Zone, according to the editorial analysis by the Office of the Director of Information Control, OMGUS. However, the press had little comment on the appointment of General George C. Marshall as his successor, mainly because the German editors were not familiar with his record.

"The resignation of Byrnes came as a painful surprise to us," said the **Mittelbayerische Zeitung** (Regensburg). "Since his wise speech in Stuttgart we have counted him among the foremost friends of Germany and again in our comments on the new year we wrote that we placed all our confidence on that September speech of the American Secretary of State when the important decision on the future peace treaty with Germany came up. . . . He proved in his Stuttgart speech that he was intimately familiar with German questions and worries and so could be a good advocate of our vital problems. Now we place our hope in his successor who has often proved that he is a man of energy and vision."

The **Rhein Neckar Zeitung** (Heidelberg) said, "The sudden shift in the American State Department comes as a complete surprise. . . . General Marshall is a personality whom we hardly know; a successful officer, who played a prominent role during the war as Chief of Staff of the US War Department. . . . Byrnes was undoubtedly one of the most capable Secretaries of State in American history, and for that reason it is astonishing that he should announce his resignation on the eve of the Moscow conference. It is unavoidable that the observer be inclined to fear a change in the American

foreign policy. . . . We hope firmly that the appointment of Marshall means no such change."

The **Heilbronner Stimme** (Heilbronn), disregarding the official reason as poor health, attempted to link political implications to the resignation. However, its editorial continued: "Only the future will tell if Germany gains or loses by the change. Byrnes had far-reaching comprehension for European questions, and we could count on his sympathy." A similar apprehension toward the future was expressed by **Das Zeit Echo** (Schwaebisch Hall) which commented: "Many justified hopes must give way before a new immense tension. . . . The fearful anticipation with which we look forward to the peace conference has become more oppressive than ever."

The **Darmstaedter Echo** (Darmstadt) said, "The change of the American Secretary of State has been received with astonishment everywhere, partly also with apprehension lest a change in persons alter the course of American policy. In the flow of world political events and in view of the numerous problems which have to be solved it is extraordinarily difficult to make a prediction for the immediate future."

"Kurier" Commends DMG

In an editorial on Lt. Gen. Lucius Clay, US Deputy Military Governor, the French-licensed **Kurier** in Berlin pointed out that the General has always lived up to his original statements.

"In his relations with the three other Allied occupation forces he had to bring the experience of a military and administrative organizer and had to develop the capabilities of a diplomat," observed the paper.

"At the same time he has shown that he energetically tackles in the Control Council all questions which seem to him important," continued the **Kurier**, concluding by stating

that General Clay is one of the four men who have the greatest influence on Germany's future fate.

"We can be sure that he will work in accordance with the directives of his command in Washington and will always be ready to enter into fruitful discussions with his colleagues in Berlin. It is not his character to become weak in the face of 'stale-mates.'"

French Saar Action

The **Rhein Neckar Zeitung** (Heidelberg) said that France has tried to solve the Saar question "with methods that have made the country against which they are now being used extremely unpopular in the world." Its editorial also stated:

"The solution of the Saar question by power politics and under circumvention of the minimum demands of democratic ethics (i. e., a plebiscite) prepares the ground for new quarrels — we will not say wars, an empty, insipid threat that could be regarded as ridiculous — for nationalism, and chauvinism. In the long run, it makes no difference to whom the Saar belongs for the immediate future. One day it will have to belong both to France and to Germany, because the development of Europe moves slowly but obviously toward new goals."

Pessimistic Outlook

The **Wiesbadener Kurier** (Wiesbaden) painted a gloomy picture of the present situation in Germany. Its editorial on this topic said in part:

"You are warned not to set your hopes too high. For the time being the Germany beyond the Oder and Neisse no longer exists. Realistic observers have for some time considered the Saar as lost. There is no German merchant fleet. Germany has no gold, foreign credit or property, or foreign patents. She has to pay considerable costs of occupation. Large parts of her industry have been dismantled . . .

"We have gone so far that it does not in-

terest us if we are allowed to produce 12, 7.5, or 5.8 millions tons of steel: our capacity is hardly enough for a production of 2.5 million tons . . . The people of Germany, whether the world considers them guilty or innocent of their misfortune, believe that they have been wronged. They believe, with or without justification, that they are in forced labor. They are indignant that the product of their labor goes abroad. This confirms the long-established fact that people can be told much of the past or present distress of other people, but they will always only feel their own distress."

Laenderrat Address

The address by the Deputy Military Governor at Stuttgart early this month (see Page 13) was termed by the **Sueddeutsche Zeitung** (Munich) as "perhaps the most important statement that has ever been made before the Laenderrat." The editorial also commented:

"A large measure of political powers was put into the hands of the government chiefs in the US Zone and the outlines of a future German federal union begins to be visible through the fog that still hides our future . . . It must be food for serious thought to those who bear the responsibility that a satisfactory carrying-out of denazification was made the presupposition for the far-reaching return of government powers into German hands."

Old Press Idea Assailed

The **Fraenkischer Tag** (Bamberg) marked its first anniversary with an editorial saying, "The opponents of this new type of newspaper are naturally above all those men who controlled the press before and wish to carry on their politics again today in the same sense as before 1933. We know that they cannot understand that it was precisely they who paved the way to Hitler and doom. Through their opinionated and financially dependent newspapers they turned the people into an uncritical mass, into obedient cattle with votes, first for their interests, later for the NSDAP."



Article Sees Affect of Previous Lessons in Land Constitutions

The significance of the popular adoption of the Land constitutions was discussed at length by **Howard P. Jones** in the **Providence Bulletin**. Jones pointed out that the three documents seem to indicate that the Germans have learned something as a result of their experiences under the Weimar Republic and under the Nazi regime. After noting that the constitutions are the first efforts at democratic government in German states in 13 years, Jones said:

"(The adoption by popular vote of the Land constitutions) represents the culmination of efforts of American Military Government to re-establish the machinery and tools of democratic government in the US Zone of Germany. The efforts have been based upon the fundamental idea that the only way to learn Democracy is to practice it, and the American Zone under the leadership of Lt. Gen. Lucius D. Clay, Deputy Military Governor, has for a year and a half provided the Germans a laboratory for democratic development.

"These new constitutions are being eyed with great interest through Europe as the first post-war attempt of the Germans to construct basic charters of human rights, as well as a government structure designed to withstand all onslaughts on such rights.

"They are interesting documents, blending as they have American and British conceptions with German experience under the Weimar republic. Although written under the aegis of American Military Government, they are German creations, drafted by popularly elected constitutional conventions which carried on their work without interference from American Military Government.

"Their adoption, too, marks the passage of an era in Germany. Military Government in the American Zone has now turned over

the operation of the government of Germany within the Zone of the Germans — a step the significance of which it is difficult to exaggerate. It is, incidentally, probably the first time in history that a conqueror has had as a major objective the turning over of the operations of government to the conquered people.

"There are of course reserved areas of power in the hands of Military Government. Reparations and demilitarization will continue to be functions of the US Army. Furthermore, all governmental matters which require negotiation with the Allies or which extend beyond the boundaries of the American Zone must necessarily be handled by Military Government. But from now on, in the main, the job of Military Government in the US Zone becomes that of watchdog, inspector, and consultant. In the areas of their competence, the new constitutions take control.

"The parliamentary system of government is provided by the three constitutions. Members are elected by the system of proportional representation to these parliaments, which will select the minister-president who will be the titular head of the state and will appoint the cabinet.

"All the state Parliaments are one-house legislatures, except that Bavaria has established a body called "the Senate," which has no legislative power but may introduce bills into the Parliament. It is composed of representatives of agriculture, industry and trade, labor, universities, religious bodies, municipalities and professional groups. Its functions are primarily advisory.

"The bill of rights in these constitutions not only covers the basic freedoms of speech, press and religion but also the right to adequate housing, freedom of the arts and sciences and the freedom of movement — an indication that the Germans may have learned something, after all, during these tragic years . . .

"The preamble to the Bavarian constitution (states):

"In the presence of the field of ruins to which a political and social order without God, without conscience and without respect for the dignity of man has brought the survivors of the Second World War,

"In the firm resolve to secure permanently to coming German generations the blessings of peace, humanity and justice,

"The Bavarian people, remembering its more than 1000 years of history, adopts the following democratic constitution.' "

"Partners in Germany"

In an editorial "Partners in Germany" discussing the US-British bizonal economic merger, **The New York Times** said in part:

"This agreement, which has been under discussion ever since Secretary Byrnes first proposed unification negotiations with all occupying Powers last July, is designed, first of all, to put an end to the anomalous situation which compels the United States and Great Britain to pay reverse reparations to a potentially prosperous Germany in order to keep the Germans under their rule from starving to death. These "reparations," used principally for food, run at the rate of \$200,000,000 a year for the United States, and at twice that sum for dollar-poor Great Britain. That is over and above the cost of the actual occupations and the military governments, amounting in the case of the United States to approximately \$800,000,000 a year.

"The Anglo-American agreement is the first constructive step taken to remedy the almost chaotic situation now prevailing in Germany. It will require another billion dollars to make the new unit a going concern, the amount to be split between the two governments which hope to recover it from Germany later. The agreement provides for the pooling of all resources, for financial reforms and stabilization of the mark, and for the building up of export industries to pay for both food and raw materials, for which purpose the two Governments undertake to

establish communications and travel facilities and appeal for the removal of trade barriers against German goods. In that way they hope not only to reduce their own costs but also to restore a healthy non-aggressive German economy which can contribute materially to the economic stability of Europe."

Professional Occupation Force

"The United States Army is attempting to give birth to a strange baby — a professional occupation force," according to **Edwin Hart- rich** in the **New York Herald Tribune**. Discussing the future of American occupation, Hart- rich continued:

"Discovering, rather surprisingly, that it has an indefinite assignment of remaining in Europe for ten to fifteen years — according to General Dwight D. Eisenhower and General Joseph T. McNarney, Commander of American forces in Europe — the Army is building an instrument to achieve its objectives. The present army is inadequate, a fact recognized today by senior staff officers at headquarters of United States Forces, European Theater.

"According to blueprints the future army of occupation will be a force of about 125,000 men, including the constabulary, services of supply and the air force. It is to be composed of regular army personnel — officers and enlisted men — whose age, education, background and native intelligence will be higher than the average in the European theater today.

". . . The Americans feel that their occupation and its policies are something new and specialized . . . Morally, ethically and evangelically, the American occupation concept is to sell the 'American way of life' to the Germans.

"To meet, this program the Army has embarked on an intensified G. I. education program. Scholastic as well as vocational training will be offered to the soldiers. In addition, McNarney has ordered that all undesirable characters or those persons unable to serve as soldiers be sent home for discharge."

BORDER POLICE *(Continued from page 5)*

continued to give any necessary assistance to the German police and to inspect their activities to ensure the efficient enforcement of border traffic regulations. Frequently a German policeman walks his post side-by-side with a US Constabulary trooper.

Patrolling is principally on foot because of the lack of transportation, but the German border police occasionally use bicycles, motorcycles, automobiles, and even skis in mountain areas during winter months. These German policemen have become the first line of defense against smuggling and other illegal border crossing. They maintain static watch posts at regular border points or on routes of travel easily accessible, but between these points and in rear areas along roads and trails leading from or paralleling the border they move about in roving patrols.

RESPONSIBILITIES OUTLINED

The law enforcement responsibilities of the German border police include chiefly the enforcement of MG Law No. 161, which prohibits the movements into or out of the US Zone of any person or thing without the specific approval of Military Government. However, there are provisions for the issuance to certain specified travelers of permits to enter or leave Germany or to travel between the zones of occupation. Similarly, permission can be obtained to import or export goods or merchandise or to transport such materials in trade between zones. The border police are responsible for inspecting these legitimate travelers and legal shipments crossing the international border at authorized crossing points or moving along regular travel routes between the US and other zones.

In this activity their functions are substantially the same as those of the prewar German immigration or customs inspectors, or even the duties of immigration and customs inspectors as we know them in the United States. The border police have the additional responsibility of preventing any illegal interzonal border traffic and the apprehension

of any persons violating or attempting to violate the laws and regulations governing movements across the zonal borders.

The proficiency of the German border police organizations is remarkable when one considers the fact that they are newly created, without trained or experienced personnel, and greatly handicapped by the difficulties of procuring necessary equipment such as clothing, transportation, and communications. Figures from the past three months indicate their accomplishments: In October, there were 22,911 illegal entries or exits and confiscated goods valued at RM 1,109,484; in November, there were 25,760 illegal entries or exits and confiscated goods valued at RM 644,047; while in December, there were 19,390 illegal entries and exits and confiscated goods valued at RM 533,994.

The organizations have been completely uniformed and have been armed with non-German carbines and revolvers. They now have — in addition to telephones — a teletype network which links each of their field headquarters to the central headquarters of the organization in each Land. For use in coordinating their activities with those of the US Constabulary units assigned to border control work, they also have access to the telephone networks of the Constabulary.

TRAINING SCHOOL IN HESSE

In Wuerttemberg-Baden and Bavaria, border police receive the same training as rural and urban police with supplementary training furnished to those in Bavaria through correspondence courses. Hesse is operating a border police training school at Bad Selters which has graduated approximately 400 students to date.

The general authority of the border police has been restricted by the US policy prohibiting German civilian policemen from exercising authority or jurisdiction over members of the Allied Forces or Allied civilians serving with them. Because of this, it

has been necessary to station US troops at all border crossing points used by Allied personnel and to maintain close coordination with the German roving patrols who may encounter Allied persons. This relationship between US and German police organizations will continue. However, with the completion of the demilitarization and denazification of the US Zone of Germany and the return of border traffic to a more normal peacetime status, complete responsibility for control of all but Allied traffic will be given to the German border police.

When the police force was first organized, there was but little legally authorized traffic interzonally or internationally. It is now possible for many persons to enter or leave Germany legally and several agreements have been made by the occupying powers permitting greater travel freedom for German residents between the zones. Among these are three Control Council direc-

tives, one permitting certain travelers engaged in interzonal trade or other essential activities to obtain semi-permanent passes allowing them to move freely between the several zones; another providing for one-trip passes; and a third allowing those workers who live in one zone, but who are employed in another, to cross those interzonal borders freely without any special interzonal pass.

In addition to these provisions which are common to the four zones of occupation, the US and British Governments have agreed to permit free travel of German civilians, other than displaced and stateless persons, between the US and British Zones without requiring permission or travel passes. Displaced persons and stateless people still must obtain passes from the proper MG authorities. The purpose of this agreement was not to encourage unnecessary trips for pleasure or personal reasons, but, to remove restrictions on all necessary travel.

DECARTELIZATION: THE OIL INDUSTRY *(Continued from page 8)*

two major processes of synthetic oil production. Both subsidies and high tariffs on the importation of finished petroleum products were introduced to encourage the new industry. By 1938, the production of synthetic oil was already more than twice as great as that of crude oil, and plants in construction and projected could be counted on to double synthetic production within two years.

With the outbreak of the war in 1939 and the blockade, Germany was cut off from imports. Since crude oil as well as finished products had been included in these imports, many German refineries were deprived of their raw materials, and only those conveniently located for the refining of indigenous crude oil continued to operate at capacity.

This loss of imports was, however, to some extent counteracted by the development of the oil fields of the Vienna basin, which since 1939 have become a major source of oil by European standards and rank second on the continent to those of Rumania. The oil fields of Hungary were also developed and

made an effective contribution of oil to Germany, and Rumania placed about all of her exportable surplus of crude oil at Germany's disposal.

Synthetic oil production, in the development of which the chemical and heavy industries played a more important role than the oil industry, meanwhile grew to such an extent that by 1943 the output of oil manufactured from coal was more than five million metric tons. This was achieved only at a tremendous cost in capital for plant conversion and construction and in manpower both to mine the coal and to operate the plants. The effect of this expansion on the oil industry as a whole was reflected in an increase in the assets of the industry from RM 1,284,000,000 in 1938 to RM 2,600,000,000 in 1943 and an increase in the level of employment within the industry from 39,000 in 1938 to 108,000 in 1943.

A breakdown of the production of petroleum products for 1943, the peak production year for greater Germany, shows a total production of 7,489,000 metric tons, of which

5,500,000 were derived from coal and 1,935,000 were crude oil production. This amount of crude oil production included 1,210,000 metric tons from Austria, which means that production in Germany proper was 725,000 metric tons, all of which came from Northwest German fields. While this production increased slightly in 1944, the future maximum potential production in what remains of Germany is placed at 600,000 metric tons, which would yield approximately 540,000 metric tons after refining. Eight firms account for better than 90 percent of German crude oil production and approximately 70 percent is produced by three companies: Deutsche Erdöl, Elwerath, and Wintershall.

GERMAN REFINERY PICTURE

Although in 1943 slightly less than two million metric tons of petroleum products were refined in Germany, total prewar refinery capacity was approximately three million metric tons, much of which was designed for the processing and rerunning of imported residues and partly finished products. This refinery capacity was in the hands of 13 German firms, many of which were in actual fact owned by foreign stockholders. The dominating position in the German refinery picture was held by the Shell Group, whose Rhenania-Ossag refineries had an annual capacity of 960,000 metric tons. As a result of Allied air raids, the Shell refineries have largely ceased to exist, and only two major refineries are now operating. One of these is German owned and the other is owned by Deutsche Vacuum Oel AG., a subsidiary of the Socony-Vacuum Oil Co. of N. Y. The Vacuum refinery is an important producer of lubricants but its output of light products is insignificant.

Because of the sharp decline in the production of synthetic petroleum, Germany today is faced with meeting its oil requirements almost entirely from its own crude production and from imports, which are financed by the occupying powers because of Germany's lack of foreign exchange. The cost of these imports of finished products

(estimated at \$54,000,000 for 1949) has caused the occupation authorities to consider reducing this dollar cost by importing crude oil and then refining the imported crude within Germany. Thirteen refineries which have been declared available for reparations, with a present annual capacity of 858,000 metric tons, may, therefore, be retained in Germany. At present, the two refineries which process more than 60 percent of Germany's 600,000 metric tons of crude oil constitute a monopoly problem in the production of lubricating oils. The production of synthetic petroleum products that remains in Germany is confined to the Soviet Zone where it is supported by coal contributed by the Western zones. The Potsdam Declaration calls for the eventual elimination of the production of all synthetic petroleum products in Germany.

Through the year 1946 in the Western zones, the three foreign-owned and one German-owned marketing companies were able to retain their participation in over 70 percent of the petroleum distributed for civilian use through the continued operation of the marketing associations, or cartels, formed during the war. With the dissolution of ASV, the lubricating oil cartel, accomplished, the year 1947 will mark the return of democratic principles to the oil trade which may soon be extended to other segments of the oil industry.

ACA Repeals Ordinance

The Allied Control Council recently passed Law No. 44, which repeals the ordinance of 11 October 1944 concerning "extraordinary measures on leases, agricultural management, and debtor relief caused by total war." The repeal of the ordinance, effective 15 March 1947, means that certain land and property leases frozen by German law are now releasable; that certain trusteeships for agricultural land, authorized by German law and extended by the 11 October 1944 Ordinance, will now expire; and that relief to some debtors from the courts, as authorized by German law, will end.

GERMAN VETERINARY LABORATORIES *(Continued from page 10)*

The state institutions are used for disease diagnosis and control, and for food examination.

Samples of meat and meat products are collected from time to time from retail shops by state veterinary officials and submitted to the state laboratories for examination and analysis. The routine laboratory work on food inspection and disease diagnosis is done by decentralized state laboratories distributed throughout Germany. These laboratories generally perform bacteriological, physical, chemical, and biological examinations of poultry and animal products in order to diagnose disease and suggest hygienic control. In addition, most of these laboratories produce small amounts of the various specific test substances needed to carry out the required tests. They provide the live cultures used with serum for the simultaneous method of immunization against swine erysipelas.

EXTENSIVE DAMAGE DURING WAR

Even though most of the laboratories were badly damaged during the war, most of them have been repaired sufficiently to be useful again. Bavaria is fortunate in having two laboratories, located at Nuremberg and Schleissheim, which are still an integral part of that Land's control program. The one at Nuremberg provides diagnostic and food hygiene service for the northern part of Bavaria. The larger State Veterinary Police Institute (State Veterinary Laboratory) at Schleissheim serves the southern part of the Land, and furnishes certain biologicals and laboratory service for all of Bavaria.

The Schleissheim Institute, located six miles north of Munich near Dachau, was damaged only slightly during the war and is now completely repaired. It consists of a large, centrally-located building and several large stables, located on the edge of the small town of Schleissheim and surrounded by level, well-drained pastures. The main building has offices for administrative work,

laboratories for diagnosis, post mortem clinics, food examination and analysis, biological production, and classroom laboratories in which short courses and refresher courses are held for state veterinary officials and specialists.

In the same building live the director and his family. The German personnel of the laboratory live in the nearby village. The technicians are long-time employees, and are reported to be well qualified, conscientious workers.

SERUMS AND VACCINES PRODUCED

The stables house the animals and poultry needed to produce sera and vaccine. Here, also, diagnostic procedures are carried out, including tests to determine the potency and standardization of the products created at the institute. Both serum and culture used for immunizing pigs against erysipelas are produced. The crystal violet vaccine mentioned earlier is prepared here, as is the remedy for fowl plague.

The organization itself is divided into departments for administration, food control, pathology and bacteriology, diagnostic and post mortem, serology, biological production, shipping and receiving, and education and instruction. The instruction department includes lecture rooms and laboratories where veterinary officials are given refresher courses on the latest developments in diagnostic procedures, and in inspection and control of diseases.

HANDICAPS CITED

State laboratories such as that at Schleissheim are directed by veterinarians responsible to the Land official or the Minister of the Interior. The service of these institutes is limited however, because of lack of politically-approved and technically-qualified personnel, the need for further repairs and replacement of equipment, and shortages of electricity, fuel, and supplies.

Close liaison between field workers and

for animal disease control rests with the state veterinary official. All communicable animal diseases are under his supervision. If laboratory assistance is necessary, animals or specimens are forwarded to the state laboratory by the veterinary official. The practitioner carries out the field work of disease control under the direction of the state official. Aid can be sought directly from the state laboratories by the practitioners themselves for conditions of a non-communicable character appearing in livestock.

UTILIZE STATE LABORATORIES

Small slaughterhouses, local licensed butchers, and farmers who perform emergency slaughter of their own livestock submit samples of meat to the state veterinary laboratory for bacteriological examination and microscopical inspection for trichina. Simi-

larly, samples of milk taken both at dairy farms and at processing plants are forwarded to the state laboratories for examination for disease conditions. Analysis of milk for fat content is done by other laboratories and by lay personnel.

TRAINING PROGRAMS NECESSARY

The best hope for permanent improvement of Germany's war-weakened veterinary system is in training programs. New personnel are being recruited among retired men and politically-cleared younger doctors. Refresher courses for practitioners and training courses for newly-appointed veterinary officials, lay meat inspectors, and laboratory assistants are being given throughout the US Zone. And, perhaps most important, veterinary colleges have opened their doors again to train replacements.

EVALUATION OF THE GERMAN VOTE *(Continued from page 12)*

What would the picture be if the SPD were admitted in the Soviet Zone? How strong would the LDP be then? One report suggests that the LDP to a large extent owes its success in the eastern zone to the votes that would in other circumstances have been cast for the SPD. The same is true at least for the SED. The absence of the large, or formerly large, parties from the ballot may affect the outcome of an election in such a way that it is doubtful whether the results are of more than purely temporary significance.

FORMER NAZI VOTE

In this connection, there is one outstanding but widely forgotten fact: the largest vote ever polled by the SPD before 1933 was less than 10 million (in 1928). Compared with this, the Nazis reached almost 14 million in 1932 and more than 17 million in March 1933. What has become of these 17 million people who, even without heavy pressure, voted for Hitler 14 years ago? Not all of them have turned by now into convinced Liberals, Democrats, Social-Democrats, or Communists. We can be sure that there are

still millions of people who, if they were given the choice, would vote for a party more to the right than any now existing. This fact should not be obscured from us by large CDU or SPD majorities in the present-day elections. A very large increase in democratic votes indicates that former Nazis may have voted democratic, but it does not prove that they have become democratic.

SPECIAL ANALYSIS REQUIRED

In a statistical sense, it will frequently not be possible to draw a comparison between present and former election figures in Germany without a special analysis of all the changes involved, such as those mentioned above. Those who overlook this and take such comparisons at their face value are liable to commit grave errors in evaluating the political situation and its trends. On the other hand, a thorough examination of the reasons why such comparisons cannot be made may lead to the discovery of political or social facts which may be even more important or interesting than the election figures themselves.

proval by Military Government.

Military Government believes that the procedures which I have outlined will give you full responsibility for state legislation which does not conflict with our basic objectives, without preventing the enactment of national or zonal legislation which must still remain a responsibility of Military Government.

Summarizing, the Laenderrat continues to be charged with responsibility for preparing legislation that obviously must be applied uniformly throughout the US Zone of occupation. It must continue to study, comment on, and recommend and propose quadripartite legislation to be made applicable to Germany as a whole. The individual members of the Laenderrat, acting in their capacities as Ministers-President of the three states, will express the views of each state in matters of bizonal economy through their representatives on the bizonal agencies. Each Minister-President will be responsible for the execution of bizonal economic policies.

Thus, it seems to me that you have been given now the full measure of self-responsibility which is possible until some form of provisional government is established for Germany as a whole.

DENAZIFICATION ESSENTIAL

I must remind you that in placing this responsibility for government back in your hands, we have exacted as a condition the satisfactory execution of the Law for Liberation from National Socialism and Militarism. It continues to be the view of Military Government that thorough denazification is essential to democratization and to restoration of self-government.

Recently, in response to the solicitation of responsible German officials, General McNarney has extended the youth amnesty to thousands of "little" Nazis in the expressed hope that it will encourage them to democratic ways. In doing so, he has eased substantially the administrative load now carried by the denazification ministries and tribunals which you felt too large for satisfactory administration.

In return, it is expected that full advantage will be taken of this reduction in administrative work to seek out aggressively and to punish adequately the active Nazis and their associates who profited from the Nazi regime. That challenge still lies before you as the representatives of the German people in the US Zone of occupation. Your real determination to seek the ways of democracy and to regain a place in the family of nations will be judged by the people throughout the world from the success with which you meet this challenge.

Finally, I wish to reiterate that Military Government welcomes its new relationship with a Laenderrat which is composed of Ministers-President selected by the German people as their representatives. We shall expect you to represent the German people and we shall give utmost consideration to your views. I propose to meet with you monthly and I shall be glad at any time to receive your comments and recommendations. I shall expect your cooperation and your prompt execution of any decrees which Military Government may find it necessary to issue.

Your task is difficult. The daily life of your people during the coming year will not be easy. I trust, however, that through your efforts, the New Year will bring a measurable improvement in the economic conditions which prevail in Germany, accompanied by continued progress in democratic self-government. You will have the full support of Military Government to these ends.

Prohibited Materials

The manufacture, import, export, transport, and storage of all but specifically authorized war materials in Germany are prohibited according to Control Council Law No. 43. These exceptions will be permitted only with the authority and under the control of the appropriate Zone Commander and will provide only for essential peacetime requirements.