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CASTLE INC.



WEEKLY INFORMATION BULLETIN



MILITARY GOVERNMENT

WEEKLY INFORMATION BULLETIN

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Cover Picture

CASTLE INC. — This is the path to the tower at Trausnitz castle, in Landkreis Nabburg, Bavaria. The castle, famous in German history and legend, is the center of a German youth project. A story concerning the project appears on page 6 of this issue. (Photo by Dunninger-Mauritius)

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

Occupational ACTIVITIES

Digest of Military Government's Semimonthly Report

No. 81 for Period Ended 15 December 1947

Coal — The incentive program and the bad weather contributed to a 12 percent increase in the daily average number of workers actually on the job in the Ruhr fields in November. The daily average of 300,141 in November was a postwar record. Absenteeism declined to 9.6 percent from 15.5 percent in October.

Public Safety — Theft and black-market activity continued as major police problems in Wuertemberg-Baden and Hesse... Legal and illegal activity on the border between Bavaria and the Soviet Zone decreased moderately because of poor weather and bad roads.

Water Transportation — In order to insure equal operational representation by the entire bizonal inland water transportation trade, the Bizonal General Administration for Inland Waterways and Inland Water Transport has organized a "control council" consisting of 12 members nominated in equal numbers from shipping firms and small owners. This council is to be the managing body of the German operating group.

Electric Power — Continuous rainfall during the latter part of November greatly improved the electric power situation in the US Zone. Hydrogeneration almost doubled to within two percent of the year's high, reached in March... This increase made possible a 12 percent increase in consumption, a reduction of the burden on thermal generating plants,

and a decrease in net incoming power.

Chemicals — Production of calcium cyanamid jumped to almost four times the output for the preceding two-week period. This increase resulted principally from increased hydrogenation.

Machinery & Optics — Part of the machine capacity of the Hensoldt und Soehne plant at Wetzlar, Hesse, was shifted from the manufacture of binoculars to the production of camera lenses which have been in short supply... The first shipment of 1,000 lenses is to be delivered to Berlin and Stuttgart plants this month.

Reparations — Equipment totaling 4,208 metric tons was shipped as reparations from 29 plants in the US Zone to 14 recipient nations. A 32-ton shipment, constituting all the general purpose equipment of the Heeresmunitionsanstalt at Strauss, Bavaria, was made to Yugoslavia.

Restitution — Automobile spare parts valued at RM 34,732 in terms of 1938 prices were certified as essential to the German minimum economy and released from restitution for that use.

MFA&A — Four 15th-century wooden sculptures, which Berchtesgaden residents had looted from the Goering train in May 1945, were recovered after a persistent field investigation in the Berchtesgaden region.

Manpower — An interzonal secretariat of the trade union federations

in the Bizonal Area was established in Frankfurt to provide a means of considering labor problems of a bizonal nature... The railroad unions of the Bizonal Area established an interzonal secretariat in Frankfurt to resolve problems preliminary to the development of a bizonal federation of railroad workers.

Publications — Two titles have been published in German as part of the MG Political Orientation Program in Germany. They are "Behind the Iron Curtain" by Hill, Russ-Il, Atwood, and Kerr, 200,000 copies issued by the New York Herald Tribune; and "Marshall Makes It Clear," US Secretary of State Marshall's speech of 18 November in Chicago, 500,000 copies.

Film — Licenses for the distribution of motion pictures in the US-occupied area of Germany were granted to the Motion Pictures Export Association (Germany), Inc., of New York, the Eagle-Lion Distributors, Ltd., of London, and eight German firms or individuals. Since these distributors have been licensed by British Military Government, they may distribute films through the British and US occupied areas of Germany beginning in February.

Radio — US-controlled radio stations in Germany concentrated on coverage and interpretation of developments at the London Conference of Foreign Ministers... The Berlin-New York Town Hall Meeting of the Air and the MG radio progress report over the American Forces

(Continued on Page 16)

WEEKLY INFORMATION BULLETIN

(A Review)

THE *Weekly Information Bulletin* has presented during the past two and a half years the picture of Military Government in Germany, recording each week its new policies, regulations, and directives, its progress, difficulties, and achievements.

With the next issue, this magazine of Military Government becomes a biweekly publication. Its content will be similar to that of the past 125 issues, but greater emphasis will be placed on the progress and achievements made in carrying out the US mission in Germany. The first of the biweekly series will appear on 13 January 1948, and subsequent issues will be distributed on alternate Tuesdays thereafter.

The *Weekly Information Bulletin* originated in the summer of 1945 when the operation of Military Government was relatively new to much of its personnel, especially those officials who had just come from combat duty. Complications arose with the translating of the theory of Military Government into practice. Solutions and coordination of the over-all policies had to be worked out. Unforeseen difficulties appeared in the lower echelons in the implementation of these developments. Communications were disrupted and irregular. Clear explanation and speedy transmission were essential.

The *Weekly Information Bulletin* was inaugurated as a single medium to accomplish this task. In the introductory note to its first issue on 26 July 1945, it said:

"This is the first issue of the new weekly Military Government Information Bulletin. It is published by direction of the Theater Commander

and Military Governor to reflect the over-all policies developed in US Troop Command and the theater-wide responsibilities of G-5. It has a single purpose: to assist Military Government personnel in their daily work, and to facilitate the exchange of ideas and experience among them. It is designed to disseminate the information useful to detachments in the field and to the staffs at headquarters, and to furnish practical guidance on Military Government questions and problems."

THE NOTE WENT on to say that the *Information Bulletin* would analyze the problems of the detachments, and publicize the practical and workable solutions developed by them. In addition, it would give "the current explanations and information on new policies or on changes in old ones," and would "attempt to explain why they were adopted and how they can best be put into effect."

In conclusion, the note said, "It is hoped that the publication will create a bond between all personnel engaged in the task of Military Government, whether in the field or on headquarters staffs. The views and comments of all those for whom the *Information Bulletin* is intended to serve will be welcomed."

The early issues were assembled and prepared by the staff of the Information Branch of the Office of the Assistant Chief of Staff, G-5 Division, United States Forces, European Theater. The editorial staff's office was located in the USFET Headquarters Building in Frankfurt. Its printing plant was in Schwanheim, about seven miles north of Frankfurt. Its paper came from US Army

stock. The covers were cut from file folders. Distribution was by the Adjutant General's Office through its regular channels.

With the gradual movement of all Military Government functions and operations to Berlin, the *Weekly Information Bulletin* was transferred on 1 April 1946 to the Control Office of OMGUS and made a section of the Reports Branch. This branch has the responsibility of compiling and issuing the monthly reports of the Military Governor, and the semimonthly report of Military Government. It also is compiling the history of Military Government. The *Weekly Information Bulletin* has its own staff of four persons with extensive background in publications and writing.

THE *Weekly Information Bulletin* has always sought to present its material in a manner that can be best understood by the average American reader. Its style is semipopular, and its presentation is based on the form of a popular American magazine. Foreign words, especially German, and technical terms are translated into the vernacular. Each article and each item come from official MG sources, and before publication is referred to both the originating authority and the Reports Branch for approval on presentation and interpretation.

Material for the articles generally is furnished by the leading experts on the particular subjects. Revisions are made only to increase the appeal and to fit them into the general style of the magazine. Official reports by MG offices and divisions, texts of speeches, and data furnished by public information officers often provide the bases for articles and items. In fact, every source of information on MG policies, operations, and progress is utilized to present in this magazine a kaleidoscopic picture of Military Government.

Special sections appear in each issue. The material for the German Reactions is furnished by the Scrutiny Board of the Information Control Division. Pertinent editorials from US newspapers on operations in Germany are used in Press and Radio Comment. The Official Instructions

list the latest directives, letters, and memoranda, issued by OMGUS, EUCOM, and the Bipartite Control Office. The Station List of all MG and L&S unit chiefs in the field is printed in the first issue of each month. Key MG Personnel, listing approximately 1,000 officials, is published at two-month intervals.

ILLUSTRATIONS were given greater emphasis starting in the summer of 1946, with the inauguration of the blue motif and the photograph on the cover. The photographs are furnished by the Army Signal Corps, by Public Information photographs in Berlin and the US Zone, by the Information Control Division, and many times by the writers from their own photographs taken in assembling the material for the articles. The art work is done by the Graphics Branch of the Control Office.

The printing of the magazine is handled by the Publications Branch of the Adjutant General's Office, OMGUS. During the first year in Berlin, the magazine was printed in the AG plant in Neukoelln, but since last spring, the work has been done in Druckhaus in Tempelhof, one of the largest printing establishments in Germany. Distribution has been handled entirely by the AG Distribution Branch.

During the past two and half years, the *Weekly Information Bulletin* has covered all fields of the occupational activities of Military Government. As conditions changed many individual functions were described several times. The early articles presented the historical background, the current situation, and the program for the future. Subsequent accounts described the progress.

An extensive account of the functions and operations of Military Government was given in February-March of 1947, when, in five consecutive issues, 28 articles, depicting the activities of every unit of Military Government, were printed. These articles have been the bases of many magazine and newspaper accounts on MG operations.

The most sought-after article printed in the *Weekly Information Bulletin* was "Are There 'Good' Na-

zis?" in issue No. 37 of 15 April 1946. This article, prepared by the staff of the Special (Denazification) Branch of the Internal Affairs and Communications Division, OMGUS, traced the growth and expansion of the Nazi Party and pointed out that it was hard to enter, and harder to remain in the party. Reprints have been widely distributed to orient denazification officials in their work.

The research and presentation for the article "Coal" in issue No. 16 of 10 November 1945 won the commendation award for its author, Robert S. Berlin of the Historical Section, Control Office. The article, starting, "The reconstruction of European economy, shattered and largely disintegrated after six years of total war, is today a jigsaw puzzle with perhaps the key piece that which represents the black diamond, coal," is still basically timely, even two years after being published.

"Civil Liberties" by Henry Parkman, then director of the Civil Administration Division, OMGUS, in issue No. 109 of 8 September 1947, was widely read and quoted. "Bizonal Organizations" by Stephan L. Freeland, PIO of the Bipartite Control Office in Frankfurt, in issue No. 108 of 1 September 1947, was the first comprehensive explanation of the new organization in operation.

Two articles by Hans Kallmann — "Political Apathy" in issue No. 70 and "Two Concepts of Democracy" in issue No. 71 in December 1946 — were especially commended. Writing in the *Philadelphia Bulletin*, Melvin K. Whiteleather, prewar American newspaperman in Germany, said concerning these: "Two recent issues of the *OMGUS Weekly Information Bulletin* carried articles on German psychology far above the average of contributions found in such official magazines."

The Nuremberg trials have been regularly documented. The opening speech of Justice Robert H. Jackson against the leading Nazis before the International Military Tribunal was abstracted in issue No. 33 of 16 March 1947, and his summation in issue No. 58 of 9 September 1947. The verdict of the Tribunal was given in detail in issue No. 62 of 7 October

1947. The subsequent trials under US direction were recorded in articles by H. Peter Dreyer, then acting PIO, on the first seven cases in issue No. 93 of 19 May 1947; and by Eugene Philips, deputy PIO, on the Krupp case in issue No. 123 of 15 December 1947.

OFFICIAL PRONOUNCEMENTS of policy have been carried in full. The Stuttgart Speech of James F. Byrnes, then US Secretary of State, was printed with a cross-reference index in issue No. 58 of 9 September 1946. The new directive of the State-War-Navy Departments on "US Policy in Germany" was given in full in issue No. 102 of 21 July 1947. When Military Government Regulations Title 1, the "bible" of Military Government, was revised, the new version was carried in four installments in July 1947.

Ninety percent of the ideas for articles have originated with the staff of the *Weekly Information Bulletin*. Approximately half of the articles printed in the magazine were assembled and prepared by the staff writers. But the editorial staff has always welcomed unsolicited contributions, as illustrated by the report forwarded by OMGUS Headquarters on a special activity in Bad Reichenhall, Bavaria, by the local MG officer and developed into the article "Town Hall Meeting" in issue No. 60 of 23 September 1946. An MG internee, Harry A. Jacobs, after making a survey of industries in Bremen, received permission from the OMG Bremen and prepared the article on "Bremen Industries" in issue No. 119 of 17 November 1947.

The occupational personnel is the primary reading public for which this publication is intended. The activities of one unit are told so as to inform the other units and give them a better understanding of the occupation operations. The magazine is used by Troop Information and Education officers for talks at orientation sessions on MG operations. It is used as a reference for study and to check on past developments.

However, more copies are going to the United States each week, where

the material is used as the basis for lectures, articles, and sermons. Many universities and colleges are keeping complete files for reference and research. The Weekly Information Bulletin, in close contact with all authoritative sources of information, is able to give the complete and accurate details of the operations of Military Government in Germany.

Concerning the informative value to the reader, a sergeant, writing from Bremerhaven, said: "I have just completed a sixteen months' tour of service in Germany, now, on my way home, I have picked up a copy of the MG Weekly Information Bulletin and in one hour learned more about Germany and OMGUS and what Military Government is doing than I learned in all my sixteen months here."

Payment of Bonuses

Manpower Division, OMGUS, in Cable V 25451, explained new provisions regarding payments of bonuses to German wage earners and salaried employees, as follows:

"Within provisions of Control Council Directive No. 14, bonus payments are permissible only if such payments have been the practice within the enterprise concerned. Payments of bonuses to German wage earners and salaried employees on the occasion of Christmas or anniversary of an enterprise may be authorized under conditions and within limitations as set forth hereinafter.

"Christmas bonuses to be paid to individuals shall not exceed the highest rate of bonus paid for the same or corresponding jobs in the same enterprise in any year during the last five years.

"Anniversary bonuses shall not exceed the highest rate of bonus paid on such occasion in same enterprise in the past. In cases where it has not been the custom to pay bonuses on the occasion of anniversaries of an enterprise a request for permission to pay a bonus may be submitted to OMGUS for approval if accompanied by adequate justification."

Bavaria Exceeds Quota on Export Contracts Sales Surpass \$50,000,000

BAVARIAN EXPORT sales in 1947 have surpassed \$50,000,000 in signed contracts, representing the original quota set for this year, Murray D. Van Wagoner, director of OMG for Bavaria, announced.

The consummation of two contracts worth \$750,000 for the production by a Bavarian firm of printed cotton goods for Iran brought the total Bavarian exports sales for the year to \$50,129,000.

"This represents an admirable effort by German agencies, manufacturers and the Trade and Commerce Branch of OMGB to revive Bavarian trade with other nations, which means so much in revitalizing bizonal industry and providing it with critically-needed imports of raw materials and foreign exchange," Mr. Van Wagoner said.

"The attainment of this goal sets a new aim for Bavarian manufacturers, and that is an all-out productive effort to fulfill the contracts signed in 1947 as rapidly as possible.

"As shipment of goods under these contracts are completed, foreign exchange is derived for the import of more raw materials to expand industrial production, pointing toward an improved standard of living. In addition, five percent of the foreign exchange can now be used directly for the benefit of individual firms, and another five percent bonus plan for the benefit of the workers is being implemented."

More than \$25,000,000 worth of export goods have been shipped to foreign countries in fulfillment of 1946 and 1947 contracts, Paul S. Nevin, chief of the Trade and Commerce Branch, said. This amount covers about 91 percent of the dollar value of all contracts signed in 1946 and shipments under these contracts are continuing. Under 1947 contracts, about \$7,000,000 worth of shipments have been made to date.

The small amount is due primarily to the necessity of manufacturing goods according to specifications of

the buyers and to the fact that the bulk of the 1947 contracts were made late in the year. Shipments under these contracts, however, are progressively increasing as production is effected.

SHIPMENTS and sales of exports in 1947 were primarily manufactured goods made to 46 countries. Fifteen major industries in Bavaria so far account for more than \$1,000,000 each in export contracts.

Those industries which have contributed most to the 1947 export sales are: The china and technical porcelain industry, which has contracts for \$10,000,000 worth of dinner sets, electrical insulators, and crucibles, with \$3,000,000 worth already delivered, and the machinery, motors and spare parts industry which has signed contracts totaling \$9,300,000 for the production of printing presses, diesel motors, turbines, trucks, and other goods, including spare parts to reactivate and maintain machinery purchased from Bavaria before the war.

Another large contributor is the textile industry which is currently producing cotton and rayon fabric and thread under requirements of \$7,000,000 worth of contracts. A fourth major source of export sales is the Bavarian hop crop, which was sold for more than \$7,500,000 in 1947.

\$650,000 Export Business

Export business totaling \$650,000 was negotiated between Hessian firms and 89 foreign buyers during the first two months of the Hesse Export Show in Wiesbaden.

The Trade and Commerce Branch, OMG Hesse, describing the exhibition as an "individual show by individual firms," said the purpose of the fair was to provide a place where foreign business men could see exactly what Hesse was offering to the world markets.

CASTLE INC.

THE FAMOUS Trausnitz castle, rich in German history and legend, but long deserted and neglected, is the focal point for one of the most promising German youth projects undertaken in the American Zone.

Trausnitz is becoming a youth capital to serve the young people of 14 Kreise in the area of northern Upper Palatinate, Bavaria, as a permanent home for their youth committee, a center for training courses, a youth hostel, a ski camp, a Red Cross refuge for orphans, and a site for international youth meetings.

The idea of reconditioning a castle as a youth center came to Joe Schmidt, Grafenwohr Post GYA director, as he was jeeping around the area. He was fascinated by the old castles with their towers high in defiance of time, their drawbridges invitingly open.

"Is there a castle which would catch the imagination of all the young people in the countryside?" he asked. A young priest in Nabburg told him about Trausnitz, and they went out to look it over.

Picturesquely isolated, wearing an air of aloof loneliness, this castle is situated on a hill in beautiful Pfeimd-tal. It is midway between two good roads, four miles from the Bayreuth-Lenz autobahn, five miles from the Weiden-Regensburg main road, and only four miles to the railroad station at Pfeimd, east of Nuremberg.

Every school child in Bavaria knows stories of Trausnitz, for it is important in German history, and folklore has grown up around it. Its chief claim to fame is that Frederick the Fair of Hapsburg was imprisoned in this bleak tower from 1322 to 1326, and his captivity changed the course of the 14th century.

By Helen Todd Westpheling

Mrs. Westpheling, who wrote "Castle, Inc." is the wife of Lt. Col. Charles P. Westpheling, district transportation officer, 1st Military District. She first became interested in German youth activities in Frankfurt, and was instrumental in setting up the Girl's Center there.

A journalist for 15 years, starting with a job on the "Manila Daily Bulletin," she is the author of "Balang," the story of a Filipino boy, one of a series of three children's books on the Philippines, all of which will be off the press shortly.

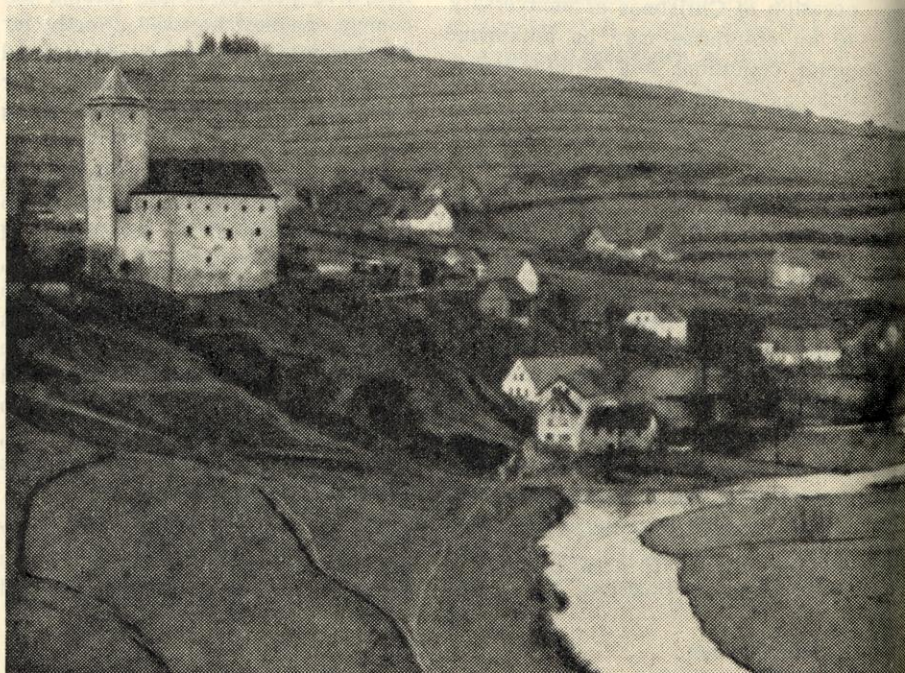
In one of the double elections which were the misfortune of Germany in

that period, Frederick, Duke of Austria, was elected king of Germany, while the Bohemian and Rhenish electors united to offer the crown to the Hapsburgs' foe, Duke Ludwig of Upper Bavaria. Civil war between the two cousins was inevitable, and it dragged on eight years, marking the end of chivalry, with knight fighting knight in hand to hand combat—for in succeeding conflicts gunpowder came into use. The battle of Muehldorf, one of the greatest in the Middle Ages, decided the issue.

Ludwig was victorious, 1,300 knights were captured, and Frederick was sent to Trausnitz and imprisoned in the tower. Ludwig presented a treaty to his cousin as the price of freedom, which contained three clauses: (1) Frederick was to resign all claims to the throne, (2) Frederick would enter into an alliance with Ludwig, (3) Frederick's

This is Trausnitz castle in Landkreis Nabburg, Bavaria.

(Photo by Dunninger-Mauritius)



brothers, especially the powerful Leopold of Switzerland, must sign as guarantors to the treaty. If Frederick was unable to fulfill all these requirements he would again be imprisoned.

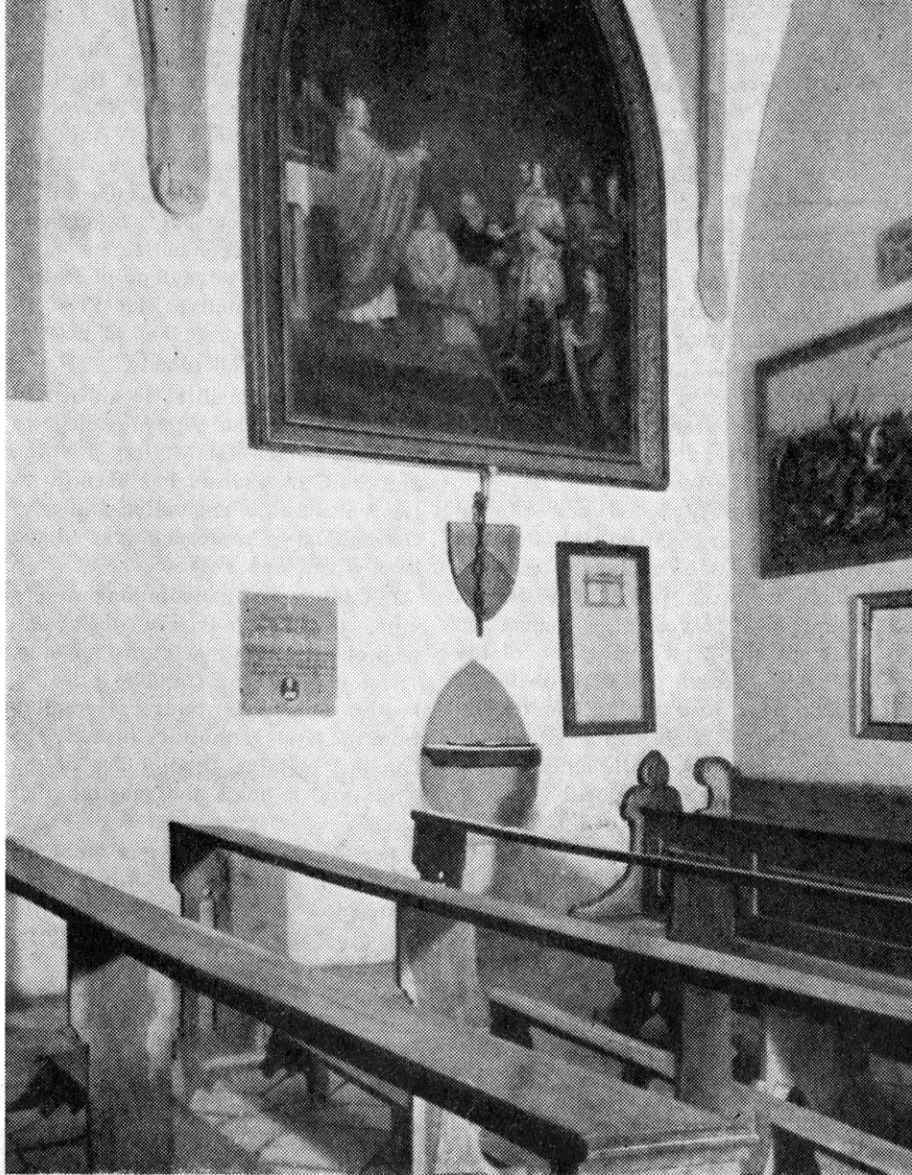
Frederick agreed to all the conditions, but his brothers, led by Leopold of Switzerland, refused to sign. The Pope, who condemned Ludwig as a heretic and later excommunicated him, assured Frederick that he was not obligated to heed the promise he had made, and should consider himself free.

But Frederick returned voluntarily to imprisonment at Trausnitz Castle, because he held his honor higher than his freedom. Ludwig declared that he was so impressed with this noble gesture that he would tear up the first treaty and make a new pact. His sudden change of heart was probably unromantically influenced by the fact that he had decided to play politics somewhat differently, abandon an old ally, Bohemia, and make overtures toward the Hapsburgs.

The new treaty was signed in a stately scene depicted in a tapestry which is still hanging in Trausnitz Castle. It was a "brother's pact." Henceforth Ludwig and Frederick would be brothers. Ludwig permitted Frederick a sort of co-regency of Germany—not at all dangerous politically. They lived together, and even shared the same sleeping room. Frederick, broken by the imprisonment, died young in 1330, just two years after Ludwig was crowned Emperor in Rome.

This story has acquired romantic patina with age, as historical stories are likely to do, so the names of Ludwig and Frederick have come to mean comradeship to Bavarian youngsters, almost like Damon and Pythias of Athenian legend, and the whole youth movement of northern Upper Palatinate is sparked by the effort to make the castle, now a symbol of cooperation which can follow conflict, rise from its ruined state.

It is interesting to note that the request of the Hitler Youth during the Nazi regime for use of Trausnitz was refused by the Bavarian Cultural Ministry. The excuse was given that it was an "historic monument."



The chapel at Trausnitz castle, with famous fresco depicting brotherhood pact between Frederick, Ludwig. (Photo by Dunninger-Mauritius)

However, the Cultural Ministry enthusiastically approved the use of the building by the youth committee of the Landkreise Amberg, Eschenbach, Kemnath, Nabburg, Weiden-Neustadt (Wald), Neunburg vorm Wald, Neumarkt, Oberviechtach, Sulzbach-Rosenburg, Tirschenreuth, Vohenstrauß, Waldmünchen, and the Stadtkreise Weiden and Amberg, provided that all reconstruction follow the original style in which the castle was built. As Trausnitz had been unoccupied for 100 years there was no problem with the housing officials.

An official reconditioning estimate called for RM 120,000, plus 20,000

bricks, 20,000 cubic meters of wood, glass for windows, nails, stoves, chalk, putty, and all sorts of building items. The committee's ingenuity in securing hard-to-get commodities is often surprising.

Benefit shows are held as part of the money-raising project; the mayor of Amberg declared a tax on all public dances for the benefit of the castle, one week was set aside for a concentrated drive, with publicity in the magazines "Lilliput," "Horizont," and at movies, in streetcars, and local newspapers.

"Selling bricks" is one novel technique which has been adopted to

raise money for the castle—everyone who buys a few bricks in the castle is given a charter with a photograph of Trausnitz as a record of the contribution. A lottery is in full swing, with such engaging prizes as a deer, shot by an MG captain, and a complete miniature electric train, also donated by an officer who bought the toy while an expectant father for the son he anticipated, only to decide that it wasn't quite suitable for a daughter.

Fifteen thousand of the required 20,000 bricks have already been delivered at the castle.

The necessary wood seemed the hardest requirement to fill, but the youth committee decided the one sure source was the people themselves. They passed a resolution requesting each of the 25 communities of the 14 Kreise to give one cubic meter of wood. This necessitated the cutting of one large tree or two small ones in each community. All agreed, one Kreis offered an additional 37 cubic meters. Part of the wood is already at the castle.

Glass, stoves, and coal remain among the necessities not yet obtained, but, with such impetus, the committee has no doubt they will be available by spring.

Reconditioning the castle is a long-range project. Informal meetings may be held there next summer, and by the winter of 1948 it is hoped it can be used extensively. However, improvements will be made gradually, over a period of years, until eventually the ancient castle will look much as it did in the Middle Ages—with the pleasing addition of unobtrusive modern comforts.

The youth committee which undertook the restoration of the castle as its first big project is organized along different lines from any other youth association in this zone. Their pattern, based on a conviction that young people of different Kreise can accomplish more if they work together than if they operate separately, seems to produce extremely effective results.

Youth groups in each Kreis of northern Upper Palatinate elect two representatives to the youth committee, but if the total Kreis youth membership is more than 3,000, a

third delegate is elected. The constitution provides that one of the three must be a young woman. There are consequently several girls on the committee. While the age of the youngsters in the youth groups ranges from 10 to 25 years, it was decided that the youth committee members should have the advantage of maturity, so representatives must be at least 18, but not more than 32, according to the rules adopted.

The youth committee is aided and sponsored by the Army Assistance Program of the 1st Military District, and the GYA sponsor has been given two votes on the committee, while the Constabulary representatives have been given one vote.

In addition, the constitution provides votes to five "advisory members" who change from meeting to meeting. These consist of a Catholic priest, a Protestant minister, a representative from the Kreis authorities (usually the Landrat) and the Labor office of the Kreis which holds the meeting that month.

For example, if it is Kreis Amberg's turn to be host to the youth committee meeting, youth members of Amberg select these two clergymen, and the two local government representatives. Amberg problems are specifically discussed at that meeting,

and these "advisory members" have a voice in the discussion.

If the host Kreis for the monthly meeting is unable to provide billeting accommodations for the committee within the Kreis, the meeting is held in one of the Kreise where facilities are available, but the advisory committee still comes from the host Kreis, and problems pertaining to the host Kreis are first on the agenda.

The lawyer who offered his legal services in connection with the castle problems has been voted a member of the advisory board.

The youth committee of northern Upper Palatinate has set as its goals the representation of all the youth in the section, regardless of social or religious affiliations; better and deeper understanding for youth work between young people, youth committees, and the authorities; and harmonious relationship with the GYA and the Bavarian Landjugendring.

The youth committee has energetic plans for the winter months. They include a week's training and planning course to be held in Pine Mountains at Warmensteinach. Military Government has approved the use of a hotel, 60 beds will be available, and heating will be arranged. A weekend session is projected with speakers

(Continued on Page 13)

Interior of the knights' room at Trausnitz castle. (Photo by Dunninger-Mauritius)



FREE ENTERPRISE SYSTEM FOR German Foreign Trade

ONE OF THE chief economic objectives of American occupation policy is to revive the foreign trade of Germany. Germany needs foreign raw materials for its factories and imported food for its people. If German men and women are to be adequately fed, housed, and clothed, foreign trade must be permitted to expand as freely as conditions permit, using all of the experience, contacts, and know-how which the German economy has at its disposal.

However, that is not enough. Foreign trade is going to bring in dollar exchange and raw materials. In order to start foreign trade on its way, it has become necessary to provide an initial amount of dollar exchange and raw materials, in addition to the large German food imports for which American taxpayers have paid in the last two years and are still paying. The doors must be opened to the desired free flow of goods through trade agreements with other nations...

Although the reestablishment of normal trade relations must be a slow process back because of internal and external conditions, marked progress has been achieved during 1947 under what is actually an eight-point program. This includes the decentralization of export and import trade, visits of foreign business men, trips of German business men to other countries, opening up of communications, the 10 percent export incentive program, financing of cotton imports, and the trade agreement program.

Under the decentralization program German exporters now make contracts directly with foreign buyers—as in any private business, subject to an export license granted by the branch office of the Joint Export-Import Agency. The JEIA is primarily interested in the financial terms, since there is as yet no foreign exchange

By Ethel B. Dietrich

rate and all external funds must be held in the name of Military Government. For small orders a foreign buyer can make purchases of \$5,000 or less over the counter and take the goods away with him on a cash-and-carry basis.

CONTRACTS FOR imports needed for the export program may be also made by German producers. German exporters may now sign contracts

Free Enterprise System for German Foreign Trade was adapted from a speech by Miss Dietrich over the German radio network of the US Occupied Area.

Miss Dietrich, deputy chief of the Trade and Commerce Branch, Economics Division, OMGUS, is a former university professor of economics. During the war she worked for the Foreign Economics Administration in Washington.

She is the author of many articles and books, including "World Trade," published in 1939, and "American Trade with the Far East," published in 1940.

for imported goods, subject to an import license by Military Government which allocates the required foreign exchange. This gives the experienced producer the opportunity to act more quickly than by the more cumbersome government procedures and to buy according to specifications which he knows best.

Face-to-face contact with foreign buyers is another prime prerequisite of free expansion of trade. Insofar as

security regulations have permitted, OMGUS has always welcomed foreign buyers as one of the best ways of restarting trade. Plans have been hampered, however, because of lack of accommodations and transportation facilities to take care of visitors.

Last April a quota system, based on the number of available beds, was inaugurated whereby each country is allocated a certain number of visitors a month. The first quota for the combined British and American zones was 300. The most recent quota for December is approximately 2,800.

A plan is under consideration for the reopening of visitors' hotels by Germans which should make it possible to allow entry to a larger number of businessmen. In addition to these quota visitors, sponsored buyers who do not require accommodations or transport may come in without limitation on numbers. This plan is of special importance to nearby countries which have been accustomed to a considerable amount of border trade.

Additional aids for foreign buyers are the export expositions in Wiesbaden, Stuttgart, Munich, Flensburg, and Hanover. Directories of export firms are being compiled, and an export buyers' guide has been widely distributed.

IT IS EQUALLY important that German business men go abroad in order to reestablish contacts with foreign buyers, and to gain firsthand information as to market conditions, and new styles. This is now possible. Five German business men left recently for the United States to look into the situation in porcelain, glassware, leather goods, silk weaving, jewelry, silver, and toys. Others have gone to Switzerland. Large-scale travel, however, cannot be anticipated for some time because of the cost in

(Continued on Page 13)

Economic Situation Occupied Germany

Part 6 (A) — The US Zone

IN CERTAIN RESPECTS the US Zone, prior to its economic merger with the British Zone, presented the most extreme example of a truncated economy resulting from the partition of Germany. Its manufacturing industries are highly developed, but it lacks the raw materials needed to supply them. It produces almost no motor fuels, no buna rubber, and only 10 percent of the coal and about 15 percent of the steel required for its own economy. The only important industrial raw materials which it produces in excess of its own needs are lumber and iron ore.

On an over-all basis the value of prewar industrial output of the US Zone was little more than half of its British zonal partner. However, the bulk of the difference was in the primary industries—mining, metals, chemicals—where the British Zone outranked the US Zone by about four to one.

In the fabricating industries, such as machinery and optics, textiles, leather, clothing, and ceramics, the two zones were much closer to parity. Thus US Zone output definitely exceeded that of the British in the manufacture of electrical equipment, optical and precision instruments, vehicles, and leather goods.

Consequently, sustained industrial recovery in the US Zone depends upon a regular and adequate flow of fuel and materials from outside its borders. The coal and steel industries within the zone have shown good progress, but their output is far from

adequate to keep the wheels of the zone's factories turning. Since the consummation of the economic merger the zone is assured of its proportionate share of the basic materials produced in the British Zone—but no more than that share. Its over-all economic rehabilitation therefore remains basically limited by the current low output of the coal mines and iron works of the Ruhr.

This is the last 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.

Despite handicaps, the rate of recovery in the US Zone has been substantial. Industrial activity expanded steadily from the time of the occupation until November 1946. In July 1945, shortly after the defeat of Germany, the physical volume of industrial production in the zone (excluding Bremen Enclave and Berlin Sector) was about one-tenth of the 1936 rate, but by January 1946 it had risen to 25 percent and by November to 47 percent of the 1936 base period.

For the last half of 1946 the physical production index averaged 44. This level was about as high as that attain-

ed in the Soviet Zone and considerably above that for either the British or the French Zones. In the middle of the winter the unusually severe weather, with the concomitant breakdown of transportation, and in particular of coal deliveries, led to a rapid fall in industrial production, the index hitting a low of 31 in February.

PRODUCTION RECOVERED swiftly in March and April, however, and the index achieved a new high of 49 in May. Failure of coal production in the Ruhr to keep pace proved a limiting factor, however, and the rate of output remained thereafter relatively stable throughout the summer and fall of 1947. Ranging about 50 percent of prewar.

Generally speaking, the basic industries have recovered most rapidly. Thus, in September and October 1947, mining output, lumber production, and output of gas and electricity were all between 80 and 100 percent of the 1936 base period; iron and steel were about two-thirds; electrical equipment, was about three-fourths, and chemicals and machinery were all close to one half.

In contrast, such consumer goods industries as textiles, leather, paper and pulp, and optical and precision instruments were all at considerably lower levels, ranging from 32 to 42 percent. The lag in these industries may be attributed partly to the fact that they depend upon the basic industries for operating equipment and supplies and particularly to the lack of raw materials and fuels which must be obtained from outside the zone, such as Ruhr coal and steel, raw cotton, and hides.

Moreover, except as their product may be destined for export, these industries do not have so high a priority as the basic industries in the allocation of coal and essential materials.

The gap between producer and consumer goods began to narrow, however, in 1947 as the export program, which is being concentrated on consumer goods, gained momentum. In particular, the production of textiles rose very considerably between the fall of 1946 and the summer of 1947, reflecting largely the processing of imported American cotton, and porce-

lain production increased as a result of kaolin imports.

In June 1947, the gross value of manufacturing production in the US Zone (excluding Bremen and the Berlin Sector) amounted to RM 609,000,000 (excluding construction, gas and electricity). During the same month, the value added by manufacture was about RM 323,000,000.

Making appropriate allowance for the value of construction and public utilities, it may be estimated that production in the US Zone during June had a value added by manufacture of about RM 430,000,000. This corresponds to a rate of about RM 5,200,000,000 annually at current prices, as compared with RM 6,100,000,000 in 1936 (annual rate).

IT IS OF Interest to compare the Reichsmark and physical production figures. After attaining comparability by eliminating food processing from the value series and gas and electricity from the physical volume index, the value index for June 1947 is 79 (1936 = 100), and the physical volume index for June becomes 46 instead of 48. Thus the value index is 72 percent higher than the volume index, whereas the actual increase in the average level of wholesale prices is believed not to exceed 50 percent.

Part of this discrepancy reflects the conservatism of the physical production index. The remaining difference can be attributed largely to changes in the "product mix" of the items actually produced in the two periods.

There is evidence that in a number of industries current production is concentrated on more expensive items than in 1936. A detailed investigation

in one Land, for example, has shown marked shifts toward production of items of higher unit value than in 1936, as, for instance, in the chemicals group, in which increased concentration on cosmetics production has pushed the value index three times as high as the physical volume index, although prices of comparable items were found to have risen only 50 to 70 percent.

The shift in the optical and precision instruments group was even more marked because of the expansion of spectacle lens production and the elimination of cheaper cameras. Again, in the automobile and other industries, increased emphasis

The US Zone indexes used throughout these articles are the series which were revised in July 1947 to overcome certain known deficiencies in preliminary indexes. The level of the unrevised index for the preceding months is about seven percent lower than that of the revised index. The current index, however, remains conservative.

Important factors tending to depress the level of the index are the present scarcity of virtually all commodities, the low value of the mark, which leads to hoarding of goods, and the widespread practice of compensation trading. These factors give the manufacturers a strong incentive to conceal a part of his production through under-reporting.

In addition, the index is kept down because (1) the German agencies which collect the current data in the US Zone have not achieved complete coverage; (2) the construction and food processing industries are not included but are known on the basis of other evidence to be operating at somewhat higher levels than the average for all other industry; and (3) it has been impossible to measure accurately, and to make full allowance for the present concentration of many industries, such as automobile manufacturing, on the production of spare and replacement parts rather than on complete products.

It seems safe to assume that, as of the summer of 1947, the industry of the US Zone is producing more than half as much as in 1936.

on high-priced spare parts has played an important role in raising the value index.

The total number of gainfully-occupied in the US Zone (including Bremen) has shown steady improvement since the end of the war, reaching a total of almost 7,600,000 during September 1947, or over 100 percent of the May 1939 level of 7,500,000. About 38 percent of this total was self-employed.

The total dependently employed was about 4,800,000, of which 2,300,000 were dependently employed in in-

dustry and handicrafts. This was roughly 90 percent of the dependently employed in industry and handicrafts during May 1939, and probably at least 100 percent of 1936 employment. The figures quoted above are based on reports from employment offices and include a considerable number of persons actually engaged in rubble removal, repairs and reconstruction.

EXCLUDING handicrafts, July reports from manufacturing and mining concerns show a total of about 1,000,000 workers on the payrolls of plants engaged in current production (excluding construction and public utility enterprises). This is about 86 percent of the 1936 rate.

Since physical output during July was 53 percent of 1936, it is evident that there has been a considerable decline in productivity per employed worker, owing largely to such obvious factors as lack of economic incentives, inadequately maintained equipment, irregular flow of raw materials, diversion of workers to clean-up and repair of damaged plants as well as to dismantling of reparations plants, absenteeism, poor

physical working conditions, and the fact that the health of the workers is not conducive to maximum efficiency.

Interzonal trade increased steadily throughout 1946. Complete figures are not available, but incomplete data show that shipments from the US Zone to the other three zones rose from about RM 10,000,000 in January to roughly RM 60,000,000 per month at the end of the year.

Receipts from other zones followed a similar trend and were about equal

to shipments for the year as a whole. These figures exclude electric power and gas; in both items the volume entering exceeds that leaving the US Zone. Roughly 60 percent of the trade in 1946 was with the British Zone, some 30 percent with the French Zone, and about 10 percent with the Soviet Zone.

(B) — The British Zone

THE RUHR district of the British Zone is the industrial heart of continental Europe. It has always occupied the key position in the German economy, and the level of output of its coal mines and iron and steel works will largely determine the rate of industrial rehabilitation of all Germany, with the possible exception of the French Zone.

In 1936 the British Zone accounted for about three-quarters of German hard coal, over 70 percent of steel ingot, and about 60 percent of liquid fuels production. Its output exceeded that of any other zone in many other industries, including iron and steel manufactures, primary non-ferrous metals, stones and earths, wood-working, chemicals, and rubber. Its exports — particularly of coal, steel, machinery, chemicals, and textiles were of major importance in balancing Germany's external trade account.

The rate of recovery in the British Zone has not been so rapid as that in the US Zone. Physical output in the British Zone during January 1946 was 47 percent of the 1936 base period, according to the *British Zonal Statistical Bulletin*. This was higher than the rate in the US Zone. However, by July 1946 the index had reached only 34, as compared with 41 for the US Zone, and for the remainder of the year little further progress was recorded. The index dropped to 26 in February 1947 at the height of the winter crisis, and in May and June stood again at 34, and in October had reached 40.

Principally responsible for the low rate of recovery in 1946 was the slump in coal production which occurred in March 1946 as a result of the reduction in miners' food rations. The average output of hard coal per working day fell from 180,000 tons in January and February to 158,000 tons

in March, and it did not again reach the January level until September.

However, as a result of vigorous action taken late in the year, including the inauguration of a bizonal labor recruitment program, output climbed steadily through the winter, crossing the 200,000 ton-per-work-day line during December and reaching a peak of 238,500 tons late in March 1947. Progress was then again halted as a result of the food situation, and, following a two-day protest strike against short rations, April production fell to an average of 210,000 tons per day.

BY JULY, production had risen somewhat, with daily output averaging 224,000 tons but remaining well below the March peak; by the latter part of August, following the adoption of a new incentive program, daily output finally crossed the 240,000-ton mark, exceeding the March high. By the Middle of November, the daily rate of output exceeded 280,000 tons.

Iron and steel production was similarly retarded until July and August 1947. Against the 1936 monthly average production of 1,156,000 tons of steel ingots, the 1946 monthly average was only 194,000 tons. Throughout the first half of 1947, production remained low; output in the second quarter averaged 210,000 tons monthly. This was slightly better than the 1946 average but still well below the rate of almost 250,000 tons which had been attained in August 1946.

In July and August 1947, however, steel output rose very sharply as a result of increased coal allocations. During August, production reached 266,000 tons, considerably bettering the 1946 peak. October showed a further increase to 288,000 tons. Even

at this rate, however, output was less than one-third of the rate established under the Revised Bizonal Level of Industry Plan.

The other principal weak spot in British Zone recovery is textiles. According to the official index, physical output of yarns during October 1947 stood at only 27 percent of the 1936 rate as compared with 46 percent for the US Zone. As the coal, iron and steel, and textile industries together account for more than one-third of the net value of British Zone industrial production, the importance of these three industries in holding down the general level in the Zone is evident.

Other branches of British Zone industry have shown much better progress compared to that of the US and Soviet Zones. Thus, output in the rubber industry reached 52 percent of the 1936 monthly average rate during October 1947, or well over the level of 39 percent attained in the US Zone. The British Zone was the first to resume passenger automobile production. Its output of Volkswagens averaged about 1,000 per month from March 1946 through July 1947, with the exception of the winter slump from December through March.

In 1946 the total value of exports from the British Zone amounted to \$145,000,000 of which coal represented \$117,000,000. Hard coal, the largest item, was shipped to foreign countries at an average rate of 1,000,000 tons monthly between October 1945 and December 1946. This rate fell off during the first half of 1947, averaging about three-quarters of a million tons but passing the million mark in June.

The principal recipients have been France, the Low Countries, Denmark,

Gainfully Occupied by Economic Group
(US Zone)

	May 1939	June 1947	Pct. Increase
Total Population	13,700,000	16,600,000	121
Total Gainfully Occupied	7,171,000	7,289,000	102
Agriculture, Forestry and Fisheries	2,362,000	2,479,000	105
Industry and Handicrafts	2,762,000	2,638,000	96
Commerce and Transportation	1,098,000	1,013,000	92
Public and Private Services	702,000	929,000	132
Domestic Service	247,000	230,000	93
Above includes both self- and dependently employed persons. In June 1947 the total dependently employed was 4,550,000, or 103 percent of the May 1939 total of 4,398,000. Excludes Prisoners of War, Displaced Persons in UNRRA camps, and Civilian Internees.			

and Luxembourg. Since the beginning of the year, British Zone exports have been lumped with the US Zone figure.

THE NUMBER of gainfully occupied in the British Zone (plus Bremen) at the end of September 1947 was 9,500,000, an increase over the 8,100,000 registered 15 months earlier, but a leveling off from the end of 1946. The number of dependently employed rose from 5,800,000 in March 1946 to more than 7,000,000 at the end of September 1947. Unemployment fell from 408,000 in March 1946 to 318,000 at the end of the year, and by the end of September 1947 had dropped to 221,000. Total gainful employment in the zone at the end of September was 98 percent of 1939.

No official figures on the Reichsmark value of output in the British Zone are available. However, assuming that the price increases (and the shifts in "product mix") in the US and British Zones were of approximately the same magnitude, it may be inferred that the annual rate of manufacturing production in the second half of 1946—measured in terms of value added by manufacture—was between RM 6,500,000,000 and 7,000,000,000 as compared with RM 11,800,000 in 1936.

On a per capita basis current production would amount to about RM 300 per person in the British Zone, as compared with RM 122 in the less-heavily industrialized US Zone. In this connection it should be borne in mind that the net increase in population in the British Zone between 1939 and 1946 was only 11 percent as compared with an increase of 21 percent for the US Zone (excluding Berlin in both cases.)

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Free Enterprise

foreign exchange which must be taken from the proceeds of export.

However, the bulk of individual business has been done in modern times by means of communications—almost the lifeblood of business. The German businessman can now transact business through the mail and,

within certain limitations, he can telephone and telegraph to countries which have agreed to open communications. It is particularly urgent because of the difficulties of travel that the utmost use be made of these services in order to reestablish contacts.

It was recognized that German business men could not be expected to show much enthusiasm in the field of foreign trade, as long as export business appeared less attractive to them as certain "gray market" barter deals. Therefore, the export incentive plan was devised to provide an opportunity for the exporter and his workers to share more directly in the fruits of their efforts. According to the plan, 10 percent of the proceeds of foreign exchange derived from the export of manufactured goods is allocated to a fund, known as the exporter's account. The exporter himself can use five percent of this foreign exchange to improve his plant or for payment of expenses of foreign sales agents and for trips to foreign countries. The other five percent of the fund is allocated for the benefit of the workers.

CONCERNING working capital, Germany is terribly short of dollar exchange to carry on trade, and private international loans are not yet possible. The United States and the United Kingdom are supplying \$60,000,000 a month for the import of food, fertilizer, seeds, medicine, and petroleum. Other imports must be bought with dollars derived from the sale of exports.

In order to provide some financing before private investments can be permitted, a plan is in operation for the import of large quantities of cotton from America under special arrangements with the Export-Import Bank of the United States... Under this plan German mills can now use their normal agents or merchants in Bremen as before the war in arranging for the import of raw cotton.

Because of the shattering of all economic ties with her neighbors, Germany's relationships through trade agreements have had to be renewed. In fact, many of these countries felt

that an iron curtain had been drawn around Germany. In order to dissuade them of this point of view, as well as to reopen trade, conferences have been held during the past year with all the countries of Europe except Rumania, Albania, Portugal, and Spain. During the conferences the two sides exchange information as to what they have to sell and what they want to buy from Germany and discuss special trade problems.

In all of the agreements, arrangements for payment are made which provide for an offset account set up in the central bank of the foreign country, balances being settled quarterly. The two outstanding benefits are that there is now a bank account for German trade in all these countries and that settlement of the balance need be made only every quarter. It should be emphasized that these agreements are not barter or compensation agreements. Instead it is their objective to provide the opportunity for the German exporter himself to open up trade.

The development of foreign trade is of the utmost importance to a country dependent upon the import of its food supplies. If Germany is to become a self-supporting nation and to develop a higher standard of living the answer must be found in the development of exports. Much is yet to be done. It is the American belief, however, that this will be possible if the system of free enterprise can be reestablished and if the German enterpriser will take the initiative with the same spirit as that of the merchant adventurer who first built up world commerce.

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Castle Inc.

from all over Germany, and conferences to extend through the week. Opportunity for informal discussion, exchange of ideas, and practical schemes for the next year are on the agenda. To spice the serious work with fun, two committeemen who are expert skiers have volunteered to act as instructors.

FREEDOM *versus* TOTALITARIANISM

Political Parties

I WANT TO discuss the role of the political party in the democratic state and compare it with the place of the political party in a communist dictatorship. Although many are inclined to look somewhat askance at political parties and to regard them at best as a sort of tolerated evil, history shows us no way for democratic peoples to organize and express their ideas except through such parties, and everywhere "politics" is the lubricating oil of government.

"Politics" acts as the intermediary between a state and its citizens, as the interpretative medium in which ideas are talked over and decisions reached. Everywhere that is, where democratic ideas themselves rule, for in a dictatorship the free, open competition of ideas is crushed and in its place is substituted the maneuver and intrigue of a palace guard.

Opposition in a democracy is not a crime, an evil sin to be hunted down by a political police and punished in secret courts and dread concentration camps. It is the essence of democracy that those who, today, oppose may, tomorrow, govern. That is why . . . some people in the United States may be praising President Truman, others may be denouncing him—the citizens may hear them both and make their choice. Indeed he may like neither point-of-view and speak out for himself . . .

Henry Wallace, a former United States vice-president, may condemn the Marshall Plan for European recovery—do you think any man in a communist-dominated state would dare speak up in favor of this blue-

By Richard M. Scammon

print for prosperity in Europe? This is the freedom of the democratic idea and this is its power. Democracy is strong because its political forces are free.

Consider then the position in the communist state. The first act of any communist regime must be to neutralize, then to eliminate, all "opposition" parties, for the idea of "opposition" is hateful to the dogma of dictatorial rule. When one man or one group of men has assumed for itself the power to declare what is right and what is wrong it is inconceivable that there be any "opposition."

In each communist state the same story of oppression and enslavement is repeated, verse by verse and chapter by chapter. The parliamentary immunity of legislators is re-

Politics in a democracy means free, open competition of ideas. But in a dictatorship such competition of ideas is crushed and replaced with the maneuver and intrigue of a palace guard. So stated Mr. Richard M. Scammon in a radio broadcast to the German people. His speech, the fifth in the MG series on "Freedom vs. Totalitarianism," is reprinted here.

Mr. Scammon, who spoke from Berlin on 11 December, is chief of the Elections and Political Parties Branch, Civil Administration Division, OMGUS.

moved and opposition political leaders are soon brought to trial for alleged treason to the people's will. Treason indeed it is, for anyone who disagrees with the tenets of the communist dictatorship is automatically a traitor, and the books of history are filled with the pages of these trials.

Where these so-called trials are not sufficient, a police terror is instituted—midnight visitations, 20- and 30- and 40-hour "interrogations" of those suspected of harboring democratic ideas are the rule. A new "thought police" comes into being whose duty it is to hunt down and stamp out any vestige of that idea of opposition which the democratic state realizes is the true measure of strength and decency.

WHILE THE DICTATORSHIP is in its early stages, it may not be wise to completely destroy the facade of democracy, for too many people have faith in simple democracy and distrust the "one party" dogma of the would-be dictatorship. For awhile, puppet political parties may be tolerated with puppet leaders and puppet programs. Naturally, these puppet parties are not expected to be strong—they do not get their proper share of newspaper space, of paper supplies, of gasoline for election campaigns. Indeed, if any of them should actually develop real strength, they will soon find that their leaders are disappearing along with those of the persecuted democratic parties. But soon the rack of history turns again and the members of these puppet parties who are truly democrats flee, or are imprisoned, or simply become quiet and leave the field of political action to the police, the concentration

camp guards, and the single monolithic communist party.

Unfortunately some of these puppet leaders may protest, may claim that they have been deceived, may defend themselves by saying that they did not recognize the true dictatorial character of the regime in the early days of which they took part. But the criteria—the check points—of a democratic political party system are not difficult to list. They may be stated simply that every citizen may know in which direction the state is moving.

First and foremost, political parties must have the right to assemble for public and private gatherings, free from the interference of state authority or private persons. Not only must the state be neutral as among the various competing parties, but it must guarantee them a fair hearing before the citizens.

It has often been a tactic of would-be dictatorships to employ strong-arm gangs to break up opposition meetings and to intimidate speakers and audience. Behind the iron curtain in eastern Europe may be found case after case to demonstrate this point.

Truck-loads of communist party thugs arrive suddenly at a peaceful meeting of democratic citizens. Clubs are brought out, men and women beaten—all in the manner typical of the worst excesses of Fascism, for indeed this is the new Fascism, with a coat of red paint. A police which will not suppress these gangs is a police under the control of the enemies of democracy.

Secondly, the political parties must have the right to publish and print freely and fairly; their newspapers and magazines must not be subject to arbitrary confiscation or to partisan censorship; if such supplies as paper, gasoline, office-space and similar items are scarce, then the distribution of these supplies as among the various parties must be fair, based upon population represented, membership, votes polled or some such equitable system. For a communist dictatorship the whole idea of a press with any opinion other than that of the communist state is unthinkable.

Unified and controlled, the newspapers of the one-party state sing the praises of the state and the newspapers of other parties just don't exist. Behind the iron curtain the method may be state paper rationing, perhaps a forced strike, perhaps beatings of newsstand operators—finally all papers not willing to be cogs in the new communist machine are simply outlawed and their property taken over à la Nazi by the dictatorship.

MOREOVER, it is typical of the early stages of communist dictatorship that the tolerated parties are not allowed anything like a reasonable share of these scarce supplies. The favored communist-line party almost always gets special treatment—extra paper rations, extra gasoline, larger offices.

Thirdly, leaders and members of the political parties must enjoy full personal freedom and liberty. They must not be subject to arbitrary arrest and confinement nor to trial on trumped-up charges. There must be no threat of "protective custody" and accusations against them must be treated as would those against any citizen not associated with a political party. If tried, proceedings in the courts must be public, and the accused must have adequate counsel and an impartial verdict.

The last two years in eastern Europe under communist control offer an unhappy wealth of material for such farcical trials. Hundreds of men and women whose only crime was to stand up for these rights taken for granted in any civilized democratic society have been tortured, imprisoned, and killed for their beliefs. The charges against them make a laughing-stock of their accusers: "... attempting to turn back the will of history . . .," "... crimes against the state . . .," "... organizing a peasant group . . ." To the citizens of a democratic state, it may seem unnecessary to detail these obvious personal rights, but to the dictator they are anathema.

Stripped of a perverted judiciary and a corrupt police, the totalitarian state has little with which to maintain its existence against the will of the citizen for freedom and political liberty.

Fourthly, the political parties, and, indeed, all the people, must have the right to freely nominate for public office persons of their own choosing and to seek the votes of their fellow-citizens for these candidates.

In communist-dominated Europe, where the full force of dictatorship has not yet been felt and the state leadership feels it must still have a front of democracy, the tolerated puppet parties are limited as to their candidates.

Perhaps it is suddenly discovered that a Kreis organization "... has not been officially registered . . ." and so the party cannot nominate candidates; perhaps candidates are nominated but are persuaded by a few beatings that they had better withdraw; perhaps the party leaders are called in by the police or the army and told it would be better if they joined with the minority communist party to put up a "patriotic national front" list of candidates, the majority of which somehow always happen to be communists.

If they don't do this, they are told, the police and the army will find it impossible to protect them from the outraged will of the masses—meaning a truck-load of communist party gunmen. Limitation of the right to nominate candidates to puppet parties and front organizations is the denial of political freedom and the negation of popular will.

WITH THIS LAST right stands equally the principle of the secret ballot and of free elections. For many years tyranny sought to exclude the people from power by restricting the right to vote, by limiting the suffrage to this class or that. Today dictatorship has a new approach. Now it is the duty of the enslaved citizen of the totalitarian state to vote.

To Germans with experience of the Hitler regime the election tactics of communist dictatorship may seem very similar to ones they have known before, and indeed they are. It needs no great imagination to guess the fate of the electors of an election district in which half the ballots cast turned out to be blank—whether the

dictatorship be Hitlerite, or communist.

But not many voters in a totalitarian system will even dare to cast a blank or invalid ballot—perhaps the ballots are numbered, perhaps it has been suggested that it would be wise to sign the ballot, and lists of voters will be closely checked to see the names for whom no signed ballot is in the voting box.

Other methods are also available—it may be that the ballots are printed on thin, transparent paper so that the election officials can easily see how the voter cast his ballot. Or a new system may be used—voters will march to the police and cast their ballots openly as a “demonstration of solidarity” for the communist state, and woe be that citizen who chooses to actually go behind a screen to mark his ballot.

The technique used differs, yes; but the idea remains the same—to prostitute and destroy the rights of free men and free women so that the single totalitarian party—be it red or brown—can boast of the 99 percent of the people who voted and of the 99.9 percent who support it. These figures are as false as the system which produces them—they are figures of fear and of terror, worthless to an honest man.

Communism has never come to power by a popular vote, by democratic methods. It has never had the majority in a fair competition of democratic political parties. It can achieve dominance only in the intrigues and machinations of power politics—black tactics, intimidation, bribery, force and the threat of force.

These are the weapons of the seekers of totalitarian power. Every democrat must watch for them and must frustrate them by asserting his own democratic rights. In their defeat he will know his own strength, for it is the democracies and their competition of ideas which are truly strong.

(Continued from Page 2)

Occupational Activities

Network were reproduced in the German language and carried by the five stations.

Theater — Two American plays

opened in Germany — “Life with Father” by Howard Lindsay and Russel Crouse, in Bremen, and “Pursuit of Happiness” by Lawrence Langner, in Heidelberg. Both productions were well-received by the public and press... An analysis of audience reaction to American plays produced in Bavaria showed “First Legion,” “Thunder Rock,” “On Borrowed Time,” “The Voice of the Turtle,” and “Our Town” leading in popular appeal.

Education — The Bavarian Ministry of Education has introduced Hebrew instruction as an elective subject in the humanistic secondary schools... Courses in religion are now required for all pupils in the Bavarian elementary, vocational, intermediate, and secondary schools.

Literature — The Hessian Ministry of Education issued a statement to all publishers in the Land that only new manuscripts will be considered for publication after 1 April. Earlier texts, however, which are standard works may still be published. The ministry also stated that non-Hessian authors and publishers will receive consideration equal to that given to those residing in the Land.

Youth Activities — Steps were taken in Bavaria to form a Girl Scout organization consisting of the St. George Girl Scouts (Catholics), Evangelical Girl Scouts, and the Alliance of German Girl Scouts (non-confessional), in order that the program and policy of these groups may be coordinated in line with those of the international organization... The Hessian Youth Hostel Association offered the facilities of its hostels to the youth groups for a variety of activities, canceling the restriction that only hikers could be accommodated.

Religious Affairs — Military Government granted permission for the reopening of the Evangelical Lutheran Free Church Seminary at Frankfurt-Oberursel, Hesse.

Public Health — Incidence rates for tuberculosis, scarlet fever, and poliomyelitis were higher in November than the year before, while all

other important communicable diseases had the same or lower rates... Influenza “listening posts” have been set up for the detection of early signs of the development of an outbreak this winter.

Public Welfare — The first emigration center under German operation for processing Germans going to the United States was opened in Bremen.

Plant Dismantling

Dismantling of the 69 industrial plants made available for reparations from the US Zone under the revised Bizonal Level of Industry Plan is to be completed by 31 March 1948. These plants are in addition to the war and advance delivery plants previously made available.

As of 10 December the scheduled dismantling was in progress in 12 of the 69 plants, and had been completed in three more factories in Hesse.

In Adlerwerke vorm. Kleyer A. G., Frankfurt, primarily a producer of automobiles, all machinery for producing new cars has been removed, but the factory has been allowed to retain its equipment for producing bicycles, office machines, and spare parts for the Adler automobiles already in service.

Hass und Sohn, and Fraenkische Eisenwerke, both steel plants in Sinn and Niederscheld, respectively, have been required to contribute one two-ton converter each for reparations.

Coin Holdings Drop

A shortage of small denomination currency caused by hoarding of small coins by the German population with the apparent belief that coins will fare better than bank notes during a currency reform, reduced the coin holdings in Bavaria, Württemberg-Baden, and Hessian banks from RM 4,358,000 in September 1945 to RM 173,000 in August 1947.

Under quadripartite supervision, the mint in Berlin reopened in late November, and the mints in Munich and Stuttgart began in early December to strike five- and ten-pennig coins.

UNITED STATES ZONE, GERMANY

Bavaria



